Investing For Tomorrow—International Petroleum (p. 11)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXVII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, AUGUST 7, 1943 | 10c a Copy; $5.00 a Year | No. 32

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The Nation's Business

Are All in Forces Well Employed?

The Ottawa administration has not yet done anything, apparently, to prevent paralysis of our air training plan.

That inevitable result of the present manpower policy has been demonstrated to the Cabinet by high air force officers in a very carefully prepared document filled with facts and giving the actual dates—not very far away—when air training schools will have to close down for lack of men to train. A fortnight ago, The Financial Post published the highlights of that document, but with most actual figures and dates omitted for security reasons.

Does Ottawa plan to avoid this issue, do nothing, and just let the air training program fold up?

Does Ottawa plan a slow but early death for this magnificent creation which it has long been proclaiming as our proudest and greatest contribution to United Nations' victory?

Does Ottawa propose to come out with the clear admission that now, after almost four years of war, it can't arrive at an efficient manpower policy; that it hasn't the courage and common sense to frame and carry out a policy of directing each Canadian to that wartime job where he can make the greatest contribution to the war effort?

To save the air training plan from creeping paralysis and early death because of the lack of recruits, the first step obviously is for Air Minister Power to make very certain indeed that he is now making the best possible use of all the men he has got.

Are there too many "penguins" in the force? Are there men at air force desks and in administrative jobs of one kind and another who can be turned into air crew?

That done, Mr. Power can very properly demand that Cabinet slow down Mr. Ralston; force him to share available manpower resources with other equally important interests.

Here is the army Mr. Ralston now has. He has 200,000 in the overseas army of which some 60,000 are understood to be reinforcements. He has about 250,000 in the army in Canada of which some 80,000 are on operational duty. Another 80,000 are in training and administrative jobs.

What this means is that Mr. Ralston has 60,000 reinforcements overseas, plus 80,000 reinforcements training in Canada or 140,000 for an overseas army of 140,000, only one division of which is yet in action. While Mr. Ralston defends his administrative army of 80,000 as being 60% below A category and over 35, surely he could comb a good many thousand out of that group in a pinch.

Mr. Ralston may have been a wise army planner in arranging one reinforcement man for every overseas man. He may—though we doubt it deeply—require 80,000 men for training and administrative work.

But it is high time that Mr. Ralston started thinking on the broader scale, taking our over-all wartime needs into consideration—and that the Cabinet forced him to do so.

Crux of the whole situation, of course, is that the Administration, after almost four years of war, still has no real manpower policy; that it still refuses to look at the facts of our manpower situation, then to adopt and carry out efficiently, courageously and scientifically a real policy of national selective service in which each Canadian does that wartime job for which he is best fitted and in which there is sober and informed distribution of manpower between the four armies of total war: the fighting army, the industrial army, the farm army and the essential home front service army.

* * *

SOME CALL THIS "PROSPERITY"

Confused by appearances and the confusion compounded by the CCF socialists and other totalitarians, many Canadians think that "prosperity" describes Canada's condition today. If we can have full employment and can spend enormous sums during the war, why can't we go on doing the same thing in peace, is the question many Canadians are asking and which the CCF answers by promising the destruction of private enterprise and running of everything by government authority.

Samuel O. Dunn, long-time and brilliant chief of the U. S. industrial newspaper "Railway Age," has just set forth some striking views in a pamphlet, a digest of which is published under the heading, Postwar World, on page six of this issue.

He shows clearly why present conditions are not "prosperity."

"Prosperity does not depend on employment alone but on what as well as on how much is produced," Mr. Dunn declares.

He gives this example. Suppose that in the depression the government had put 10 million unemployed at digging postholes. One hole a day, $10 a day wages, 300 days a year. That would have raised the purchasing power of this group $30 billions and would have made the U. S. national income paid out equal to that of 1929.

"But would that have caused prosperity? Obviously not; because there would have been no public need, desire or use for so many postholes. And the true measure of prosperity is the total volume of services and goods produced and sold that the people need and desire."

Certainly there is no "prosperity" today when civilians have to cut their buying of goods and services to depression levels; when many small businesses are threatened with ruin.

Money that can't be used to satisfy present and anticipated wants is a useless commodity. Every industrial plant has heard the argument, "Why should I work overtime when taxes take away most of what I'd make?"

Yet the Socialists want to saddle us permanently with an economy of posthole digging on a vast and perhaps permanent scale; in which any and all work-making projects are held socially desirable and sure bringers of the millennium.

In wartime the reward of victory and of security is for most Canadians sufficient incentive for any and every effort.

The incentive of profit does not bring gallant action on the hills of Sicily nor in the skies over Germany. The incentive of profit was not required to give Canada such an honorable and mighty record in war production. In peacetime the desperate compulsion of war is absent. Then the necessary driving force of free enterprise is equal opportunity for all and incentives in the form of adequate rewards to all those who make a greater contribution toward getting the world's work done.

* * *

HOW THE CIVIL SERVICE GROWS

Herewith some figures on the growth of the federal civil service with comparable figures for the United States.

Canada now has one federal government employee for every 88 of our population, excluding the armed forces. The comparable figure for the United States is 45.

Including municipal, provincial and federal civil servants, The Financial Post estimates one civil servant for about every 30 of our civilian population. For the U. S. an estimate gives a similar figure of 25.

In this war, Canada has one civilian employee of the federal government for every 3.7 in the armed services. (U. S. one to 2.5.)

In the last war, Canada had one civilian federal employee for each 11.6 in the armed services. (U. S. one to five.)

In 1920 Canada had 47,133 federal civil servants. U. S. had over 900,000.

In Mar., 1943, Canada had 122,737; U. S. had over three millions.

See Ontario With Ample Electricity

New DeCew Project Expected to Produce in Time for Coming Winter's Peak

Barring unforeseen and unexpected unfavorable developments, Ontario will experience no power shortage this winter, The Financial Post is informed by Dr. T. H. Hogg, chairman of the Ontario Hydro-Electric Power Commission.

The DeCew Falls project, near Niagara, has been developed more slowly than was anticipated due to scarcity of workmen, but according to present plans it will begin operations late in September or early in October. At that time an additional 65,000 horsepower will become available, the extra energy arriving in time to meet the seasonal peak.

Peak Occurs in Cold Weather

Normally, Hydro's peak occurs in November or December, when chilly, cloudy weather coincides with shortening days. Weather conditions will be a key factor in determining demands, but the extra power from DeCew will provide a wider margin of safety this year unless there are sharp increases in the requirements of war industry. While consumption of power has continued to increase in Ontario, the gains in the critical Niagara System have thus far been held to 1 or 2% over last year.

—Harrison Ewing photo.

CAREER MAN ENTERS NEW CAREER

Debonair new U. S. Minister to Canada, Ray Atherton assumes his new duties at a time when intercontinental affairs, as well as international, are filled with great and grave potentialities for our own and others' welfare. With our two countries so inextricably linked, Mr. Atherton's job is of vital importance.

A brilliant career diplomat, the 60-year-old Atherton comes to Canada after ten years with the American Embassy in London; after serving as Minister to Denmark; and after acting as adviser to the American delegation at the Naval Conferences in 1930 and 1935 and at the International Wheat Conference in 1939. Atherton has recently been acting chief of the State Department Division of European Affairs.

Memo From Washington

F. D. R. Looks to Strategy?

- **Washington using Allied victories to cover up home-front failures.**
- **Vice-president Wallace may not be "out" after all.**
- **Program of demobilization said to be a bid for soldier vote.**
- **Taxes, savings or both.**

● The United States has been at war for only 20 months, a shorter time than any other Allied country, but already it is thinking in terms of demobilization, of reconversion, of transition from war to peace.

This hardly squares with President Roosevelt's oft-repeated admonitions to "get on with the war," with the Army and Navy warnings of a long and hard period of fighting still ahead, or with the efforts of the various civilian agencies to prick the bubble of overoptimism.

But the plain fact is that the President himself seems to have taken the lead in encouraging overoptimism. For it is he and his principal lieutenant, Director of War Mobilization James F. Byrnes, who are doing all the talking about demobilization and reconversion.

The question which has now arisen, and which will be debated fiercely wherever two or more Americans gather, is whether the President is talking about the end of the war now because he realizes it will take extensive long-range planning to bring about demobilization without shocking dislocation, or whether, as the Republican Party charges, he is speaking in anticipation of a fourth-term campaign designed to make him a peacetime President again.

Seldom has a President's speech been so vigorously attacked by the opposition as was Mr. Roosevelt's last week. The criticism had nothing to do with the President's report on the progress of the war. All sides are agreed that this is so satisfactory that the fingers should be kept crossed.

The downfall of Mussolini gave Mr. Roosevelt the opportunity to hail "the first crack in the Axis," to reiterate the Casablanca terms of "unconditional surrender," and to promise Italy that she would be able to reconstitute herself as a free and democratic nation. The war portion of the speech, although it added nothing new to the sum of the people's knowledge, was generally approved for its forthrightness.

● The President went on from the war, however, to three highly controversial subjects, and it was these comments that formed the basis for the sharp criticism of the speech.

The first and most important controversial subject was that of the entire home front. It is no secret that the nation's war psychology has suffered from the public brawls between high officials, the admitted failure of the price roll-back program, the general ineptitude of Price Administrator Prentiss Brown, and organized labor's attack upon the Administration's wage stabilization policy.

Yet Mr. Roosevelt declared in his speech that it was an "immaturity" to speak of trouble on the home front and success on the fighting front, because in truth the two could not be so conveniently separated. The home front was part of the fighting front, he pointed out; it furnished the materials of war; it built ships and trained soldiers.

The next morning several important newspapers, including the pro-Roosevelt Washington Post, snappishly reminded the President that he would not have any military successes to report if the fighting front were run with the same inefficiency and apparent purposelessness as the home front.

By implication Mr. Roosevelt was

(Continued on page 2, col. 7)

Fruit Price Ceiling is Not Frozen

Protests From Country Cause WPTB to Act to Pacify Consumers and Canners

By STAFF WRITER

OTTAWA.—While WPTB has announced ceiling prices for peaches, plums and pears, The Financial Post understands that there is little prospect of any general freezing of fruit and vegetable prices. Faced with consumer and canner protests from all over Canada when early fruit prices got completely out of hand, the board was practically forced to make some move. It hopes that the recent strictly limited action will be sufficient to pacify the housewife, although it still doesn't seem to know whether even this will be possible or practical.

Attempts to establish ceiling prices of fruits and vegetables in the U. S. have been largely failures, it is understood. It was because of the vast complications involved that the WPTB steered clear of all fresh fruits and vegetables when it went in for general price fixing almost two years ago. Normally prices of these commodities are far more volatile than any penny stock even in a boom market. Strawberry or tomato prices may drop 50% in a single week and the decline is a perfectly normal development. It simply means that the local domestic crop is ripening fast.

Prices, too, vary widely from one market to another. Strawberries may be plentiful and cheap around Toronto and a few hundred miles away — especially in areas where there is little or no local production —they may be relatively expensive or scarce. The reason again is simple. Most of these fresh fruits and vegetables, and especially such things as strawberries, peaches, tomatoes and lettuce, are highly perishable. As a general rule it is impossible to keep them in their natural state more than a few days after picking.

These normal peculiarities make the job of price stabilizing extremely difficult, if not impossible, and further complications have been added this year by an acute farm labor shortage and very serious weather damage to orchards and plantations last winter.

WPTB Target for Protests

This year berry and cherry prices in most parts of the Dominion were about double those of a year ago. The fruit was so scarce that many markets outside immediate production areas saw hardly a basket all season. WPTB was literally swamped with protests from consumers and commercial canners, though growers apparently were satisfied. Reluctantly the Board took action last week.

Because of the extreme difficulties involved, and also because agricultural producers have never shown much sympathy for farm ceiling prices anyway, it is considered highly doubtful whether the Board will go much beyond the limited freezing announced and may indeed shelve that at the earliest opportunity next season.

WPTB's flyer in potato price fixing last spring was not claimed as any success, and potatoes, because

(Continued on page 2, col. 1)

New Wage Yardstick May Be Advocated

McTague Report Expected to End "Adherence" to Nov. 15, 1941 Peg and Recommend New Stabilization Formula for Earnings

By STAFF WRITER

OTTAWA. — Now in the final stages of draftsmanship is the McTague report on wage and labor relations in Canada — a report which, it is conceded, will be one of the most important documents in Canadian labor history.

It is expected that the report will be ready for submission to the Minister of Labor within a few days. Just how long it will be after that, before it is considered by Cabinet and made public, is anyone's guess. It is almost inevitable, in light of the evidence submitted at public hearings, that the report will be highly critical of Canada's labor relations machinery, and of the administration.

Pertinent Manpower Comment

The report is also very likely to contain some trenchant comment on Canada's manpower problems, since manpower shortages and labor and wage problems are inextricably linked in time of war emergency such as the present.

Most important of all, the report is likely to write "finis" to the pretence that wage rates in Canadian industry are still pegged to the Nov. 15, 1941, formula around which the government's wage-price stabilization policy was built. Such a finding would not mean that the report quarrelled with the government's stabilization program but that it was realistic in facing the present facts of Canadian wage rates and schedules.

Steel Workers Set Demand

What runs consistently through the deliberations and hearings at Ottawa is the insistence and emphasis that a decision, such as the government itself made last January in breaking its own wage ceiling for the ostensible benefit of low-paid steel workers, was something which could not be isolated but which has been spreading like a virus through the wage fabric of the country since that time.

Relief for Low-Paid Workers

It seems also clear that the general tenor of the McTague hearings pointed clearly towards some relief for low-paid workers. What the report is expected to demonstrate is that an entirely new approach is now necessary—an approach which will cut away the sham that wage rates in Canada are still tied to the Nov. 15, 1941, formula. Some new and more flexible formula for stabilization will undoubtedly be brought forward.

One favored suggestion for meeting this problem has already been suggested in these columns (Financial Post, June 19) namely, that the present ceiling policy be abandoned entirely for workers in low-wage groups.

What Section 25 Says

Apparently present membership of the National War Labor Board has little or no faith that the all-important clause (No. 25), which defines the powers of the Board, is any longer effective or realistic. Section 25 states:

"If the National Board finds that a range of wage rates or a single wage rate forming part of the basic scale of wage rates paid by an employer on Nov. 15, 1941, is low as compared with the ranges of wage rates or single wage rates respectively, generally prevailing for the same or substantially similar jobs, positions or occupational classifications in the locality or in a locality which, in the opinion of the Board, is comparable, it may direct such increased range of wage rates or single wage rate

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Consumers' Gas Sales Up 12%

Costs of Coal and Labor Higher But Most of Year's Coal Now in Hand

Consumers' Gas Co. of Toronto gross output in the ten months to July 31 has increased 12% over the output in the corresponding period of last year and 23% over the same ten months two years ago, it is officially reported.

While it is too early to forecast financial results for the fiscal year which ends Sept. 30, it would be surprising if there was any material improvement over the latest fiscal year for which figures are available, the company states. In the 12 months ended Sept. 30, 1942, the surplus after dividends was $941,945, against plant and building renewals fund requirements of $1,138,539. Thus a transfer of $196,594 was necessitated from general reserve in order to balance the account.

Expenses are higher. Wage rates recently approved by the regional war labor board have added to the total wage bill. The price of coal is not yet determined finally, although the new price will apply to only about two months' supply, it is stated.

One item of lowered expense is in the manufacture of water gas. In that department, improvement in method over that in use a few years ago has resulted in a lower consumption of oil per unit of gas produced. However, the total amount of oil required is greater than formerly, owing to the fact that the greatly increased demand for gas, especially for war plants, necessitates a higher proportion of the total production from oil than is normal, it is reported.

Although coal deliveries were erratic earlier in the season, owing to labor trouble in United States mines, deliveries at the present time are being made on schedule. Unless something unforeseen occurs, the winter's supply will be on hand prior to the close of navigation.

Macassa Mines Mills 300 Tons

Production in Balance With Current Development

From Our Own Correspondent

KIRKLAND LAKE. — Production at Macassa Mines Ltd. is currently being maintained at 300 tons daily, in balance with mine development to preserve the proved ore position of the mine. In the half year there has been opened up a total ore extension of 610 ft. over an average width of 5.6 ft. carrying 0.46 oz. grade. This has been achieved from development advance of the 2,475, 4,000, 4,125 and 4,250 ft. levels.

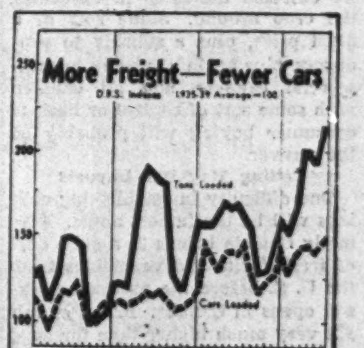
The No. 24-H vein on the 2,475 ft. level is a branch vein structure occurring south of the main break, in the hanging wall zone. Drift advance has opened up a total vein extension of 189 ft. of 0.47 oz. grade over an average width of 4.5 ft. A raise has been driven to the 2,325 ft. level and development is now under way on this horizon. The structure has been indicated in three drilling intersections.

On the present bottom level of the mine at 4,250 ft. drift development is proceeding both to the East and West of the winze. There has been opened up to date a total of 124 ft. of 0.42 oz. grade over an average width of 8.2 ft. This occurs along the main break, showing characteristic structure and mineralization. Horizontal drilling north and south from the west heading has returned significant intersections of medium grade over big widths.

The mine has extensive areas for future exploration that are indicated as of high potential possibilities. Practically no work has been done below the 3,750 ft. horizon to the east of the Grozelle ground.

On the Kirkland Lake Mine, adjoining to the east, there have been ore and structural disclosures of most important significance to Macassa at depth. There have been opened up a series of narrow high-grade vein structures along the Main Break, from the 4,400 to the 5,400 ft. horizons. On the latter there are six vein systems over a north/south width of 220 ft. south of and angling west to the main break. These are adjacent to and striking on to the east section of Macassa.

Pace of Business



Railways save space and more freight is moved with the same number of cars when maximum loadings are carried out. This chart shows how tonnages of freight moved have risen far faster than has numbers of freight cars in use, a very important fact when freight cars and the materials with which to make them are scarce.

Country general store sales for June were 14.9% above a year ago, a higher gain than any recent month.

Cash and cheque payment index shows sharp drop in June; is still 22 points above year ago.

Money supply hit high level in June, up $160 millions from May and $1,100 millions from June, 1942.

Contracts awarded in July this year about half volume of last year; 7-month total is down 29.2%.

Iron and steel output in June was below last year and cumulative 1943 total is down 10.9% for pig iron; 3.9% for steel.

For complete business figures, see page 7.

War Housing

Ottawa Leasing Big Old Homes

House-hungry Cities Use NHA Conversion Plan

Montreal, Hamilton, Edmonton and possibly another city or two are said to be showing increasing interest in the National Housing Administration's "Housing Conversion Plan." The scheme has already been launched in Ottawa, Toronto, Vancouver and Victoria.

It is known that official cognizance has been taken of the claim that need, on the part of the additional cities mentioned, is pressing; however, no statement is yet available as to the time when they may be included in the program.

As at present authorized, the scheme covers 200 house conversion jobs, with capital outlays to total $1 million, in Ottawa, Toronto, Vancouver and Victoria, each having been allotted 50 jobs at $250,000 outlay.

Similar in several particulars to the house-into-apartment conversion program launched last year by the United States NHA, the plan for Canada was originated last fall by WPTB's real property administrator, Russel S. Smart, and has come to life in the hands of Finance Dept.'s housing administrator, Frank W. Nicolls, at Ottawa.

Its purpose is to provide housing in designated key cities which, though war-congested, haven't yet been served or are being served only in part by the demountable structures of Wartime Housing Ltd.

Procedure

The administration will enter into lease-agreement with approved owners, covering a period of five years, plus a maximum additional period of three years, and with the stipulated right of the lessee—the administration — to terminate the lease on thirty days' notice.

In cases where the latter right is exercised, the administration will turn the property back to the owner without charge for any improvement that may have been made by it, The Financial Post understands.

Rental will be based upon the figure the unconverted building would command in the present market, provided this doesn't exceed 1% per month of assessed or appraised value.

At expiry of the lease, the owner will take possession, as a going concern, of a modernized multi-family building, in place of an outmoded, hard-to-heat single-family dwelling.

While in certain cases houses convertible into only three suites will be considered, the plan mainly is for Conversion into 4, 5 and more suites, the larger the number the better, from the Administration's declared point of view.

The aim, generally speaking, is toward an average per-building outlay of about $6,000 or a rough average of about $1,250 per apartment unit, The Post is informed.

Grounds for Rejection

Some of the grounds upon which the administration may reject applications are stated as follows:

Building too dilapidated.

Tenant's lease unexpired.

Non-consent of mortgagee.

Existing financial obligations too high.

Zoning restrictions.

Structural unsuitability to conversion.

In U. S. experience, it has been reported, 3,748 of the first 8,765 applications were rejected because the buildings offered for conversion were deemed unsuited to this treatment, or requiring uneconomic outlay, too much of critical materials, or offering the gain of insufficient accommodation.

Mechanical supplies, it is stated, will be purchased by the headquarters of the administration at Ottawa, under co-ordinated purchase plan; this item includes mainly plumbing and heating.

General supplies to a large extent will be provided by contractors, some of whom probably will be engaged on a time-and-material basis for the actual work of alteration and installation.

Architects in private practice will be retained.

Criteria by which the economic value to the scheme of an offered house will be measured, include the character and physical condition of the individual property and its existing equipment, suitability of interior structure to economical conversion, anything that might adversely affect the marketability of the dwelling units to be created by conversion, location in relation to employment centres, shopping and community facilities.

Municipal administrations concerned have promised co-operation in regard to restrictions which may be encountered in zoning and building by-laws, The Post is informed. It is understood that amendments to these will be considered by the

(Continued on page 2, col. 1)

PERENNIAL FAVOURITE

Light in weight . . . Quality fur-felt . . . Clean-cut, sporty lines . . . Cool as a breeze . . . pleasing shades — No wonder the Birkdale "Crusher" is a favourite with men who dress smartly! Greys, browns, blue-greys. Sizes 6¾ to 7½. EATON price, each

6.50

Main Store — Main Floor

T. EATON Co LIMITED TORONTO CANADA

The War and Business

By BRUCE MacKINNON

Clean Cities

According to some of the longer-range postwar prophets, we will have three alternatives to choose from to keep our cities clean and free from soot. One method will be to force the draft into coalfires from the top instead of the bottom, thus gaining nearly perfect combustion; a second is to gasify coal at the mines and heat our homes with gas only, which is another way of getting perfect combustion; a third will be to use the electronic principle now used in keeping engine assemblies clean. This device attracts dust particles out of the air by electronic action, will render the air 90% dustfree.

* * *

More Food

Reports from Washington indicate that feeding Europe may not prove as onerous a task as was at first feared. In North Africa, for example, an export surplus of 700,000 tons of wheat and 30,000 tons of olive oil is expected. Crop prospects in Italy are good, and the less fighting the Italians do, the better will be the harvest. It is not expected that Badoglio will let much food go out of Italy for German consumption, even if he should stay on good terms with the Nazis. As the fronts roll back, the drain of foodstuffs to Germany automatically ceases and large areas are expected to prove practically self-sufficient provided the Nazis are kicked out before they can lay hands on this year's harvest. Meat and livestock are likely to be the most important deficiencies that will have to be made good from outside.

* * *

Rubber Surplus

Tire makers in the U. S. are asking priorities to expand their facilities to meet the booming demand when synthetic rubber becomes available on a large scale in a month or two. When the synthetic hits full pace, it is expected that considerably more rubber will be available than the companies have handled in the past.

Though there has not yet been talk of expanding Canada's tire plants, somewhat the same situation may have to be faced. Polymer Corp. is to have a capacity of 41,000 tons a year. Before Pearl Harbor, Canada imported from 30,000 to 40,000 tons annually, which met all civilian demands and helped build up a stockpile that has carried us for a year and eight months under restrictions.

* * *

Fuel Note

Now in the midst of its winter, Argentina has decided not to await solution of the shipping shortage and the coal production problem, and has released two million tons of wheat for the furnaces and fireplaces of shivering Argentines. The fuel being used in Argentina would provide sustenance, if not a balanced diet, for ten million Europeans for almost a year. The neighboring republic of Brazil is also feeling the shipping shortage, is still burning coffee (only the lowest grades) and early this year had brought the total of its coffee-burnings to 77 million bags—132 lb. in each bag—or enough to last the world three years at normal coffee-drinking rates.

* * *

Statistician's Lament

A government statistician tells us that a major part of his work—and he alleges that it is true in other statistical cells at Ottawa—involves rearranging and supplementing the reports and data with which he has to work. For the most part, he claims, it would have been just as easy to have the original reports made out in a usable form.

He points to manpower records as the outstanding example of repetitious, wasteful "statisticking" that could have been avoided by a properly functioning national registration system. He states, however, that there are plenty of other examples which are just as bad in a smaller way.

For the next war, he suggests that we should let expert statisticians check on organizations before they start functioning, get a proper records system going from the first.

HELPS PRESIDENT

G. W. V. Shaw, who has been appointed office assistant to the president, Canadian National Railways. Mr. Shaw was formerly assistant secretary of the company.

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OUR *Fighting* WORKERS Give Wings To Victory

Workers and management, heroically speeding up the number of bombers, fighters and pursuit planes, are playing their part in the battle of production to bring victory. May the flow of war machines keep ever mounting until the United Nations have achieved victory. Through hundreds of branches across Canada the Bank of Montreal is co-operating with war-time workers and industries.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service... the Outcome of 125 Years' Successful Operation

A 175

Vehicle Tires

New Rubber Control Order

Used Tires, Tubes Can't Be Had Without Permit

Since midnight of Friday, July 30, used tires and tubes can't be purchased without a tire ration permit similar to the one previously required for new tires. It had been possible to buy used tires and tubes merely by completing a certificate of essentiality.

Munitions Minister Hon. C. D. Howe said upon issuing it that the new order would conserve dwindling stocks of new tires. Modelled closely on the order of May 15, 1942, it sets up three classes of tire buyers and rules all others ineligible to buy any usable tire or retreading service.

Some Ratings Raised

It revises the lists of eligible vehicles. For instance, it raises the rating of certain dentists, optometrists, and rural school teachers, and it allows tire-buying privileges to farmers who own a truck, prospectors for base metals and oil, owners of moving vans, chain store supervisors, rural auctioneers, proprietors of trucks delivering newspapers to dealer, and certain others.

It allows, for the first time since rationing went into effect, the retreading of tires for vehicles in Class "C."

It redefines the term "authorized dealer" and thus prevents anyone from selling tires or tubes if he did not sell at least 75% of his purchases of tires and tubes to the public in the year ended Oct. 31, 1941.

It compels every authorized dealer to retain turn-in tires for 30 days to allow for possible Government inspection; thus a dealer will be prevented from selling tires to a customer whose tires are still usable.

It provides that, except by permit or by legal sales between dealers and manufacturers, or by sale, loan, or exchange of the vehicle itself, no person may buy or sell, borrow or lend, give away or receive as a gift, mortgage, barter, or in any way dispose of a usable tire or tube, and it thus prohibits any two or more owners from bulking their tires to equip one vehicle.

Issued by Rubber Controller Alan H. Williamson, and concurred in by Donald Gordon, chairman of the Wartime Prices and Trade Board, the new order, which rescinds all previous tire orders and rulings, establishes a revised schedule of ceiling prices on used tires. For instance, the most popular passenger tire, the 6.00 x 16, if less than 50% worn and in usable condition, may now be sold for not more than $10.80. The maximum price on the same tire worn more than 50%, but not smooth, is now $7.20; or if smooth or regrooved, $4.30. For the purposes of the order, a used tire is one which has been driven from 1,000 miles or more.

Who May Buy

Who may now buy a tire and what type of tire he may buy is determined as follows:

Class A Tire Users

Upon proof of necessity, and under authority of a ration permit, [illegible]ainable from a tire rationing [illegible]entative in any office of the [illegible]B, new tires, retreaded tires, [illegible]d tires, new or used tubes, or retreading services, may be bought for vehicles in this class. Such vehicles are those:

1. Driven at least 75% in mileage for the professional use of physician, surgeon, visiting nurse, or veterinarian. (No change from previous order.)

2. Operated by any regularly practicing clergyman who serves two or more congregations more than three miles apart, or who serves a sparsely settled area, provided, in either case, that other transportation facilities are not available. (No change.)

3. An ambulance or hearse, or any vehicle used exclusively for funeral purposes. (No change.)

4. Used exclusively for firefighting, police services, garbage disposal, mail, express or freight services. (Freight services added.)

5. Armored vehicles used exclusively for carrying bullion, currency and securities. (Not in previous order, but allowed under subsequent ruling.)

6. Used exclusively for delivering newspapers, provided that at least 85% of the deliveries are wholesale. (New.)

7. Used exclusively for prospecting for base metals or oil. (New.)

8. A private vehicle operated by an employee of a fire or police service and used 75% in mileage for such service. (No change.)

9. A private vehicle operated by an employee of a public utility and used 75% or more in mileage for construction or maintenance work. (No change.)

Public Carriers

10. A bus or other conveyance licensed and used exclusively for public transportation, for transportation of employees to and from any industrial or mining establishment or construction project, or for transportation of members of the armed services on authorized movements which cannot be adequately performed by other transportation facilities. (No change.)

11. A truck operated exclusively for the transportation of ice and fuel. (No change.)

12. A truck or large trailer used exclusively for the transportation of materials and equipment for mechanical, structural, or highway maintenance and repair, or for the construction of factories, houses, buildings, roads, highways, dams, and other facilities, or for the maintenance and repair of electrical, plumbing, and heating equipment and of machines, but not for the repair of electrical or other household appliances. (No change.)

13. A truck for transporting waste and scrap materials. (No change.)

14. A truck or large trailer for transporting raw materials, semi-manufactured goods, and finished products, including farm products and foods, but not for delivery to the home. (No change.)

15. Farm tractors and harvester combines, other than automobiles and trucks, for the operation of which tires and tubes are essential. (No change.)

16. Industrial, mining, and construction equipment, for the operation of which tires and tubes are essential. (Used or retreaded tires and used tubes must be used if adequate.) (No change.)

Class B Tire Users

Upon proof of necessity, and under authority of a ration permit, retreaded tires, or retreading services, or used tires, and used tubes, may be bought for vehicles in this class. Such vehicles are those:

1. Used 75% or more in mileage to transport five or more employees, including the driver, to and from work in a war plant or any essential industry, but only where other transportation facilities to and from any essential industry, or to and from a post of duty, are not available. (Revised to include "to and from a post of duty.")

2. Registered with the Transit Controller under the Wartime Industrial Transit Plan, provided that if a tire or tube has been purchased under a Ration Permit for such a vehicle and the vehicle loses its registration, the owner must so inform the Rubber Controller in writing. (Not in old order, but allowed under a 1942 ruling.)

3. Whether public or private, used 75% or more in mileage for transporting persons engaged in inspecting or making munitions, or in constructing or maintaining airports, ships, and other facilities of the armed forces; or in the tranportation of engineers, technicians, and other employees between and within plants or other essential industrial facilities, but only where other transportation facilities are not available. (Redefined.)

4. A private vehicle used 75% or more in mileage to carry mail. (No change.)

5. Used 75% or more in mileage in the course of his official duties by any of these Dominion or Provincial Government officers: A judge, magistrate, crown attorney, sheriff, bailiff, highway engineer, construction superintendent; fire and accident grain elevator, or boiler inspector. (More closely defined and raised from Class "C.")

6. Necessary for and used 75% or more in mileage in the course of his duties by any Dominion or provincial officer or employee, or member of the armed forces, for transporting equipment too heavy to carry otherwise, or for health, sanitation, or essential war work. (No change.)

7. Used 75% or more in mileage by a full-time officer, field secretary, or nurse of the Canadian Red Cross Society, or the Canadian Red Cross Transport Service. (Redefined.)

8. Used 75% or more in mileage by a full-time welfare worker employed by a child welfare agency for placing children in rural areas, including any Children's Aid Society operating under provincial authority; or by a family welfare bureau or society carrying out investigations for the Dependents' Allowance Board or the Dependents' Board of Trustees. (New.)

War Finance Workers

9. Used 75% or more in mileage by a full-time employee, whether paid or voluntary, of the National War Finance Committee. (Redefined.)

10. Used 75% or more in mileage for the professional duties of an inspector of the Inspection Board of the United Kingdom and Canada. (Redefined.)

11. Used 75% or more by a full-time employee of the British Admiralty Technical Mission, the United Kingdom or any other air force mission, or Empire liaison mission. (Redefined.)

12. Used 75% or more in mileage by a full-time employee of the Dominion or a provincial department of agriculture, or an employee of a breed association engaged in control or direction of production or of marketing of food and farm products, in pest and disease control, or in other projects or services essential to the production or marketing of food and other farm products. (New.)

13. Used 75% or more in mileage by full-time employee of a processor, canner, or preserver of essential foods, or of chick hatcheries, including buyers of livestock and perishable food commodities. (New.)

14. Used 75% or more in mileage by a superintendent or timber scaler engaged in producing new lumber. (New.)

15. Used 75% or more in mileage by a dentist or optometrist who attends the armed forces or who operates a branch. (New.)

16. Used 75% or more in mileage by a press reporter or photographer, but only upon approval of the Controller. (New.)

17. Used 75% or more in mileage for official duties by a regional director of salvage collection; an employee of the Director of Soldier Settlement and Veterans' Land Act; a regional supervisor of the Aircraft Detection Corps; a member of a Military Reserve Unit or of an Air Raid Precaution Unit; a buyer of essential scrap; an exterminator; a school inspector; or a credit reporter engaged on Government investigation. (New.)

18. Operated by a minister of a foreign country, or a high commissioner, including the accredited representative of South Africa, or a director or acting director of the International Labor Office. (No change.)

19. Operated exclusively as a taxi, and not prohibited from such operation. (No change.)

20. Operated exclusively as a drive-yourself car and not prohibited from such operation. (New.)

21. A passenger vehicle and/or trailer used 75% or more in mileage for transporting produce and supplies to or from his farm by a person whose principal occupation is farming, and who owns no truck. (Redefined.)

22. A passenger vehicle and/or trailer used 75% or more in mileage for transporting produce and supplies to or from his place of occupation by a person whose principal occupation is fishing, or maintaining or repairing buildings and essential commercial machines or equipment, and who owns no truck. (New.)

23. A trailer using truck type tires, size 30 x 5 or 6.00 x 20 or larger, or a truck using any size of tire, in either case used in any service not otherwise provided for, except trailers or trucks used for personal services or for carrying passengers. (Redefined.)

24. Used 75% or more for professional duties by a rural school teacher. (Raised from Class "C.")

Class C Tire Users

Upon proof of necessity, and under authority of a Ration Permit, used tires, used tubes, or retreading services, may be purchased for vehicles in this class. Such vehicles are those:

1. A horsedrawn vehicle or farm implement for the operation of which tires are essential. (No change.)

2. A foreign car which has been in Canada for more than a week, and for which a tire or tube is essential for its continued operation. (No change.)

3. A passenger vehicle operated by a farmer who also owns a truck. (New.)

4. Operated 75% or more in mileage by a hotel for the transportation of guests and supplies where other transportation facilities are not available. (New.)

5. Necessary for and operated 75% or more in mileage for his official or professional duties or business, where other transportation facilities are not available, by a member of the diplomatic corps, a member of a high commissioner's office, a consul general of career, consul of career, vice consul of career, trade commissioner, assistant trade commissioner, member of the international staff of the International Labor Office, an incapacitated individual, a Christian Science practitioner, a drugless healer, a rural undertaker, a bond or life insurance salesman, or a commercial traveller employed in an essential, but not any luxury, industry. (No change.)

6. Necessary for and operated 75% or more in mileage for his official or professional duties or business, where other transportation facilities are not available, by a rural auctioneer, a chain store supervisor, an insurance adjuster, a finance company collector or a practicing clergyman. (New.)

Wherever possible, the regulations provide that an owner's application must be certified by a senior official or head of the organization or group with which he is associated.

Montreal Stock Exchange and Montreal Curb Market report trading in industrials at 811,521 shares in July; compared with 809,045 in June and 135,166 in the like month in 1942.

Volume for the first seven months of 1943 was 3,979,810, a gain of 2,865,932 over 1942.

Turnover of mining shares in July was 466,319 against 520,587 in the previous month and 99,590 in July 1942. Cumulative total for the first seven months was 2,568,321 against 866,354 last year.

Ottawa Leases Old Houses

(Continued from page 1)

civic authorities where asked for by the housing administration and in turn recommended by the real property administration.

Authority and financing are provided in three Orders-in-Council issued about a month apart, during May, June and July, the first for a 10-house test program at Ottawa, the second for an additional 40 jobs at the capital plus 50 each in Vancouver and Victoria, the latest for 50 in Toronto.

With over-all direction provided by NHA headquarters at Ottawa, regional officers in newly opened offices at the three last-named points are at the moment engaged in assessing particulars of several hundred applications received to date. More are arriving daily, they report.

Architects Raymond Card, Jocelyn Davidson and William Sutherland are regional officers of the administration with offices, respectively, at Toronto, Vancouver and Victoria.

There is no provision for making additions or improving the appearance of the building other than through essential repairs. In this respect, the Housing Conversion Plan is similar to the administration's Home Extension Plan of last summer, under which the owner may still borrow from the banks and undertake his own alterations and operation subject to certain conditions as to the amount to be spent, etc. Government guarantees a percentage of each such bank loan.

Fruit Prices Not Frozen

(Continued from page 1)

they will keep and are grown in almost every part of Canada, are much more stable than any other vegetable we have.

Growers Ask Ceiling Prices

Growers, it is understood, have asked ceiling prices the equivalent to those which commonly prevailed for berries and cherries — in other words, double those of a year ago.

WPTB, however, will hardly consent, as this would result in sharp consumer protest. However, if prices are fixed very much below double a year ago, then there will be extreme difficulty in spreading the crop around. Some sort of a fixed price, plus a subsidy to producers, plus again a subsidy to commercial canners, and all coupled with some sort of control or limit to consumer buying will probably be the answer.

Ceiling May Bar Imports

One difficulty in establishing ceilings will be the import angle. Normally Canada brings in a good deal of fresh fruits and vegetables from the U. S. before the producing season opens in Canada. Prices of this are very much higher than for local production. Any ceiling price for the domestic crop, therefore, is almost certain to result in barring imports unless importers are to be subsidized.

At present WPTB officials are not believed to be contemplating any such subsidy. With ceiling strictly limited to peaches, plums and pears, there will be no great pressure to have such subsidies established. But if the ceiling policy was extended to all fresh fruits and vegetables, then import subsidies would become a real factor, as the Canadian may be very glad indeed early next spring to get all the fresh fruits and vegetables possible from the United States.

New Yardstick Seen For Wages

(Continued from page 1)

to be paid as it finds it fair and reasonable, etc., etc. . . . "

What will, it is expected, be brought out bluntly and clearly in the Board's findings is that the Nov. 15, 1941, yardstick has never really been an effective "norm" against which wage adjustments were measured. Furthermore, it will likely be shown that at the present time wage adjustments are being sought and granted not in relation to Nov., 1941, but as a rule, in relation to what happened last month or week in this or that particular trade or occupation or locality.

Gordon's Thesis Qualified

The Board may be expected also to produce some important qualifications and clarifications of the thesis presented by Donald Gordon as chairman of the WPTB to the effect that higher wage rates must increase costs and prices. True, Mr. Gordon did qualify his statement to the extent that he indicated this might not be true if the increased wage rates increased production. What is thought may emerge from the Board deliberations is some program which will attempt to gear increased wage rates to increased efficiency and production so as to cushion as far as possible the effect of such changes. In respect of a labor "code," it is not expected here that the Board will produce such a "code." What is expected is the setting out of certain principles, around which a proper and adequate labor code for Canada under war emergency conditions can be built.

To Disregard Postwar Angle

It is certain too that the Board will not attempt in its findings to project the present muddled constitutional picture into the postwar era. At one time it was thought that the Board might attempt to plot a course whereby Canada could find labor relations stability, in the constitutional sense, after the war. The present intention apparently is to treat the situation as a straight war emergency and leave the postwar problem to others.

Whether or not the government accepts the McTague report in the form in which it is likely to be presented, its appearance should mark a new and decisive landmark in Canada's whole wage-stabilization policy.

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Memo From Washington

(Continued from page 1)

accused of exploiting the Allied military operations to cover up the deficiencies of his domestic program. This is a controversy that can be expected to continue until the next Presidential election is held 15 months from now.

● The second major debate touched off by the President's speech last week was that revolving about the hopes and words of Vice-president Henry A. Wallace. Mr. Roosevelt declared that the "Four Freedoms" were intended for the whole world, including the countries liberated from Axis domination. "I am sorry," he said, "if I step on the toes of those Americans who, playing party politics at home, call that kind of foreign policy 'crazy altruism' and 'starry-eyed dreaming.'"

Just three days before, in Detroit, Mr. Wallace had used the self-same words in defending his policies against his critics. The Vice-president did more than defend; he seized the initiative and delivered an open attack against "small but powerful groups, which put money and power first and people last." These groups, Mr. Wallace declared — "some call them isolationists, some reactionaries and others American Fascists"—are seeking to destroy President Roosevelt's domestic achievements of the past 10 years by capitalizing on his preoccupation with the war.

Mr. Wallace did not identify the "small but powerful groups" he had in mind, but he left no doubt that he meant American business when he declared that the President had "stopped Washington from being a way station in the suburbs of Wall Street."

The Vice-president's vigorous defense of the President came as something of a surprise, for only a short while before Mr. Wallace had been publicly rebuked by Mr. Roosevelt and had been removed from his position as head of the Board of Economic Warfare through a transfer of jurisdiction. But obviously the Vice-president, following the Biblical precept of remaining faithful despite chastisement, was still hewing to the New Deal line.

This uncompromising speech, and Mr. Roosevelt's confession two days later that he liked the words of the Vice-president, served to revive talk of a Roosevelt-Wallace ticket in 1944. Then Mr. Roosevelt's own speech, supporting "starry-eyed dreaming" showed even more plainly that perhaps Wallace was not out, after all.

● The controversial subject in the President's speech upon which he dwelt at greatest length, and which in turn evoked the loudest criticism, was that putting forth a program for the demobilization of the men and women now in the armed services.

This program, drawn up by the National Resources Planning Board, which also sponsored the "American Beveridge Plan" for social security "from the cradle to the grave," and promptly had its head lopped off by Congress, consists of six points:

(1) Three months' mustering-out pay to tide servicemen over until they find new jobs; (2) unemployment insurance if necessary for 26 weeks thereafter; (3) special aid toward readjustment and rehabilitation; (4) opportunities for additional education or training; (5) social insurance and pensions; (6) opportunities for agricultural jobs and land settlement.

But while this demobilization played a prominent role in the President's speech, the NRPB report on which it was based and which Mr. Roosevelt transmitted to Congress was something of far greater range.

The report called for immediate establishment of a "strong central directive agency" in the Federal Government to plan for the postwar readjustment of military and civilian personnel. It also spoke of the need for as rapid as possible reconversion of industry from a wartime to a peacetime basis, while at the same time providing full employment.

The employment, the report said, would have to be furnished principally by private industry, with proper government assistance. If demobilization were not planned for now, the immediate postwar period would probably see 8 million or 9 million persons unemployed—the approximate equivalent of the total armed forces. But proper planning might be able to cut the unemployed to 3 millions in two years.

Other phases of reconversion, as envisioned by the report, were as follows:

The slow and orderly termination of war contracts; the gradual change-over from military to civilian production; the retention of price ceilings and other wartime controls until the supply of consumers goods had been restored; and maintenance of the American economy at annual levels of 100 billion to 125 billion dollars.

The National Resources Planning Board report was given to Congress by the President with the assertion that he favored it in general, but that the legislators would have to work out the details.

The President's blessing upon a plan calling for the close co-operation of government and industry, and the encouragement of private enterprise, was hardly in line with Vice-president Wallace's remarks about Wall Street and the "small but powerful groups."

● Hence there was adequate opportunity for charges to be made that the President was already thinking in terms of the 1944 campaign, and that while he was out lining up the soldiers' vote and the business vote, Mr. Wallace was busy wooing the liberals and unreconstructed New Dealers.

The principal critic was the chairman of the Republican National Committee, Harrison Spangler, who went so far as to ask the Secretaries of War and Navy and the Office of War Information to transmit to American armed forces all over the world the Republican charge that the President's speech was "a bold bid" for the soldier vote and for a fourth term. The servicemen had heard the speech by radio, Mr. Spangler said. They should also get the Republican answer.

Other attacks upon the speech were made by two influential Republican Senators Styles Bridges of New Hampshire, and Robert A. Taft of Ohio.

● But while the Republicans ranted at the allegedly political nature of the President's speech, there was actually no opposition to the demobilization plan it set forth. Congress has always been liberal, more liberal than several presidents, toward returning soldiers. Indeed, the only serious question was how far Congress would go beyond the President's proposals.

If Mr. Roosevelt had indeed made a bid for the soldier vote, such a bid could easily be made to boomerang. All Congress need do is go so far in enacting bonus and benefit legislation, that the President will be compelled to veto or modify it. This familiar dodge may already be up many a Republican sleeve, ready for use when Congress reassembles.

● In his speech Mr. Roosevelt could not disassociate the home front from the fighting front. But when he got down to figures, in revising budget estimates for the new fiscal year, he had to make a distinction as he faced his old foe, inflation.

The revised budget estimates were not important, as billions go these days. The President noted an estimated $5,000 millions increase in revenue, through collecting half of the "unforgiven" portion of 1942 tax debts next March. He also noted an estimated increase in Navy expenditures as against a decrease in Army expenditures, indicating that more of the war will be fought in the Pacific next year.

But primarily the budget statement was a warning against the dangers of inflation, and in it the President reiterated his recommendations for "a truly stiff program of additional taxes, savings or both." But Congress, which in its last tax bill provided only $3,000 millions new revenue instead of the $16,000 millions asked by the Administration, will have to make any such decision. And Congress is one thing about which there is no talk of reconversion as yet.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	—Sold to—	Rate	Due	Amount	Price	Yield
Dominion— Canada Treasury Bills			Oct. 29/43	$55,000,000	99.875	[illegible]

In Your Opinion—

Should Civil Servants Vote?

The Question: Would you favor disfranchising employees in elections involving the particular government for which they work?

P. C. Armstrong

Special Representative, Canadian Pacific Railway, Montreal.

Employment in the public service should not deprive citizens of their franchise in a democracy. There can be no doubt that the increasing number of government employees both direct and indirect presents us with the danger of particularly vicious machine politics, but the cure is not to abandon democratic government but to return to it. We should undertake a drastic reduction of the number of persons in Canada who draw their living from public treasuries. Anything else is an attempt to evade lessons which are written large in history.

* * *

Fred Babe, K.C.

Fort William, Ont.

Many of our present troubles in government are caused by too much liberality of franchise. The only way to combat increasing bureaucratic tendencies is to deprive government employees of their vote and if they are fair they should not want to exercise their franchise. The present increase in government employees is gradually enabling them, through their vote, to thwart the wishes of those who earn their own living in private life and contribute the money needed to pay these employees.

* * *

Edward Callan

President, Civic Federation of Greater Victoria.

I am absolutely against such disfranchisement. Every suggestion is unworthy, implying an unprincipled attitude by the worker and willingness to prostitute privileges and responsibilities to his own selfish interests. The vast majority of people are honorable and fair-minded and there is no reason to suggest that public servants generally are any different. Voting is a cherished democratic privilege to be preserved at all costs. Public servants, through the nature of their work and contacts, are well posted on candidates and their actions and therefore might be considered to be far better qualified to vote than most citizens.

L. H. Dingman

Editor, Times-Journal, St. Thomas, Ont.

It seems to me that disfranchisement of government employees in the manner of your query would reflect on their integrity. I am disposed to assume that government employees are like other people, while from their inside view of things, they are in an ideal position to discern weak points in administration and be likely to vote for change. This standpoint is utopian, and would be subject to attack by those who criticize the enormous increase in federal workers in United States, whose numbers are now considerably over three millions. It is well to remember that civil servants are also householders, paying direct and indirect taxes, and taxation without representation, some noted man once said, is tyranny.

* * *

R. J. Deachman

Consulting Economist, Ottawa.

Certainly not. Civil servants are entitled to their rights. The only charge against them is that they will support the party which most profusely butters their parsnips. Wherein does this differ from the conduct of others? If the members of Parliament cannot resist temptation, it is they who should be disfranchised. The unblushing ideal of modern society is more and more for less and still less. The proper remedy is not fewer citizens with votes, but more with the will to make their votes effective.

* * *

Alfred W. Hanks

Editor, St. James Leader, Winnipeg, Man.

I most certainly would not favor disfranchising government employees in any election. I cannot imagine how anyone could even conceive of such an act of downright destruction of one of democracy's most cherished foundations — political freedom. For anyone to even suggest such an act is a gratuitous insult to any or all political party personnel and an inference which cannot be tolerated that every government employee is there through political patronage, which, in itself, would suggest utter chaos following every change of government.

* * *

Senator John T. Haig

Winnipeg, Man.

I'm opposed to disfranchising government employees in elections, whether Dominion, provincial or municipal, and no matter by whom appointed. Many civil servants of outstanding ability in every government service have contributed greatly to the advancement of Canada and many with small remuneration, compared with other activities of life. My experience of 14 years on a Winnipeg school board, 16 in the Manitoba Legislature and eight in the Senate teaches me that civil servants in whatever class give good service to their community, province and country. There should be strict provision that any civil servant participating in political activities automatically loses his position.

* * *

Hon. R. B. Hanson, M.P.

Former Progressive Conservative Leader, Fredericton, N.B.

On principle, I am opposed to disfranchising government employees. Such action savors of dictatorship. At the same time, I hold strong views that government employees should not engage in partisanship and if they do, should be properly disciplined.

* * *

J. L. Jackson

President, Canadian Postmasters' Association, Salmon Arm, B.C.

I certainly do not favor the disfranchisement of government employees. Such action would be undemocratic and quite unnecessary if employees were appointed by a commission and not by political patronage. I would suggest we might adopt the New Zealand system under which civil servants may obtain leave of absence and run for Parliament. Why penalize a man with brains because he is a government employee? However, I do not believe in civil servants taking part in political campaigns while actively employed. This practice on the part of some has caused much justifiable criticism.

* * *

J. G. Johnston

Public Relations Counsel, Toronto.

Yes. Better government should result. The policy makers (parliament, legislature, city council) no longer would have reason to fear political power of the employees they are supposed to control. We do not permit the battalion to elect the colonel. Why should we permit the civil service or the city hall employees to exercise a deciding voice in elections? Civil servants who did not like such a rule could seek other employment.

* * *

Stanley Lewis

Mayor, Ottawa, Ont.

No. I do not favor disfranchisement of civil servants. I believe all civil servants should be able to exercise the full rights of citizenship at all times. They are as interested in good government as the candidates who run for office and they are in a position to know as a whole whether the party in power is giving good government. Why disfranchise a well-informed and interested body of citizens?

* * *

R. B. MacInnes, K.C.

Winnipeg, Man.

Decidedly no. Government employees are more keenly interested in the public welfare than the general public itself. The great majority serve to the best of their ability, independently of party politics. They are in a better position than the average citizen to know the government's strength and weakness and their vote, which is secret, is influential in retaining a good government or defeating a poor one. The idea that civil servants as a body blindly support the government they work for or which appointed them is a fallacy. Party politics is sustained primarily by partisan politicians not by civil servants.

* * *

William Noakes

Editor, Daily Sun, Brandon, Man.

If taking votes from Dominion civil servants were at all justified, it would seem desirable that Ottawa City should be created a Federal Capital and citizens automatically disfranchised. But these are merely minor subterfuges in handling patronage evil in Canadian party politics, and are unlikely to effect palliation. Every elector is responsible by one vote for ills of party political administration and all its costs and ills.

* * *

F. T. Pattison

Retired Collector of Customs, Fort Erie, Ont.

Government employees should be allowed to vote in all elections without taking an active part. After 40 years in the customs service under Liberal, Conservative and Union Governments, none of them ever tried to interfere or influence the votes of employees at this port. Every employee was free to vote as he pleased.

* * *

Senator N. M. Paterson

Ottawa, Ont.

I would not favor disfranchising anyone who pays taxes.

* * *

John Pollock

Secretary, Edmonton Civic Employees, Edmonton.

I consider most undesirable and undemocratic the suggestion that civil servants be deprived of franchise. I believe all governments should restrict appointments in personnel of civil service commission boards to properly qualified men with no previous political affiliations. Positions in public service should be made by merit after oral, written and medical examinations, based on the British method. If these corrective measures were adhered to, a more representative cross section of young people would obtain government jobs, a more efficient civil service would be built up and there could be no basis for public demand to disfranchise civil servants.

* * *

Alan Robertson

President, Civil Service Association of Ontario, Toronto.

Civil servants should consider themselves primarily employees of the state and not of any particular government. Their duty is to administer the public services according to the policies determined at the polls by the electors. Many civil servants refrain from voting, but would resent compulsory restriction.

* * *

F. C. Smith

Secretary, Civic General Staff Association, Hamilton, Ont.

I am not in favor of disfranchising government employees in any election. True democracy calls for government by the people and for the people and these employees are definitely entitled to their vote irrespective of their position. As a matter of fact I believe that they should be compelled to exercise their franchise as an incentive to lead the people as a whole. This should be the slogan "Vote as you wish, but vote."

* * *

Frank T. Stanfield

Manufacturer, Truro, N.S.

It is pretty hard to favor disfranchisement of the government employees just because they work for the government. They should be entitled to vote like everyone else. The trouble is, there are two or three times too many government employees and the country is gradually coming to the point where it is run not by the people but by a bunch of bureaucrats called the civil servants.

Eastern Dairies Meeting Adjourned to Aug. 25

The special meeting of preferred and common shareholders of Eastern Dairies held on July 28, 1943, was again adjourned until Aug. 25. At the reconvened meeting, President W. R. Aird repeated his conviction that certain preferred holders opposed to the scheme of reorganization did not understand the facts and after a further extended discussion, during which spokesmen for the preferred Shareholders Protective Committee criticized the plan, the meetings were once again adjourned. No vote was taken at the adjourned meeting on the plan.

It was stated at the meeting that 75% of the preferred shareholders must assent to the plan before it can be adopted. Date for the further adjournment is one day after bondholders are scheduled to consider the plan.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Lumber Prices. WPTB Order A-804, July 9, sets the maximum manufacturers and wholesalers' prices for spruce, jack or princess pine or hemlock lumber in the provinces of Prince Edward Island, Nova Scotia and New Brunswick. Timber Adm., A. H. Williamson.

* * *

Eggs. WPTB Order 299, July 21, revokes 212 and fixes the maximum price of domestic hens' eggs in the shell. WPTB Chairman, D. Gordon.

* * *

Wholesale Deliveries. WPTB Order A-821, July 26, amends section 7 of Order A-292. Effective July 17. Adm. of Services, M. W. McCutcheon.

* * *

Stoneware. WPTB order A-827, July 26, gives a schedule to be followed in the manufacture of stoneware. Effective July 31. Adm. of Sundry Items, N.O.P., G. P. Sabiston.

* * *

Semi - porcelain Pottery Ware. WPTB order A-829, July 26, sets forth the design and size to be used in the manufacture of semi-porcelain pottery ware. Effective July 31. Adm. of Sundry Items, N.O.P., G. P. Sabiston.

* * *

Vitrified Ware. WPTB order A-826, July 26, gives a schedule to be followed in the manufacture of restaurant or vitrified ware. Effective July 31. Adm. of Sundry Items, N.O.P., G. P. Sabiston.

* * *

Pottery Ware. WPTB order A-828, July 26, revokes order A-521. Effective July 31. Adm. of Sundry Items, N.O.P., G. P. Sabiston.

* * *

Septic Tanks. WPTB order A-831, July 26. In the manufacture or assembling of septic tanks metal may be used only for reinforcement and certain other specified connections. Effective July 31. Adm. of Plumbing, Heating and Ventilating Equipment and Supplies, E. J. Laidlaw.

* * *

Peanuts. WPTB order A-825, July 26, sets forth the maximum prices for shelled and unshelled peanuts. Effective July 30. Adm. Imported Grocery Items, A. D. May.

* * *

Spagnum Peat Moss. WPTB order A-830, July 26, revokes A-418 and directs that specified quantities of peat moss baled in British Columbia be made available for use as poultry litter and for horticultural purposes and also fixes the price at which peat moss may be sold. Adm. of Non-Ferrous Metal (Primary), G. C. Bateman.

Blue Cross Plans Are Being Widely Adopted

Blue Cross Hospital Service Plans seem now to be an established part of the Canadian health picture. The Dominion-wide development started in 1937 with the organization of the Manitoba Health Service. Plan for Hospital Care, introduced in Ontario slightly over two years ago, has had rapid growth and provides protection to 209,000 persons against unexpected hospital expenses. The Quebec plan has been operating successfully for one year; the Maritime Provinces and British Columbia are now developing similar organizations to bring the total to five Canadian Blue Cross plans.

This co-operative, non-profit hospital service is firmly established in the United States where there are over 70 such systems. At the present time over 11 million persons participate in the Blue Cross plans.

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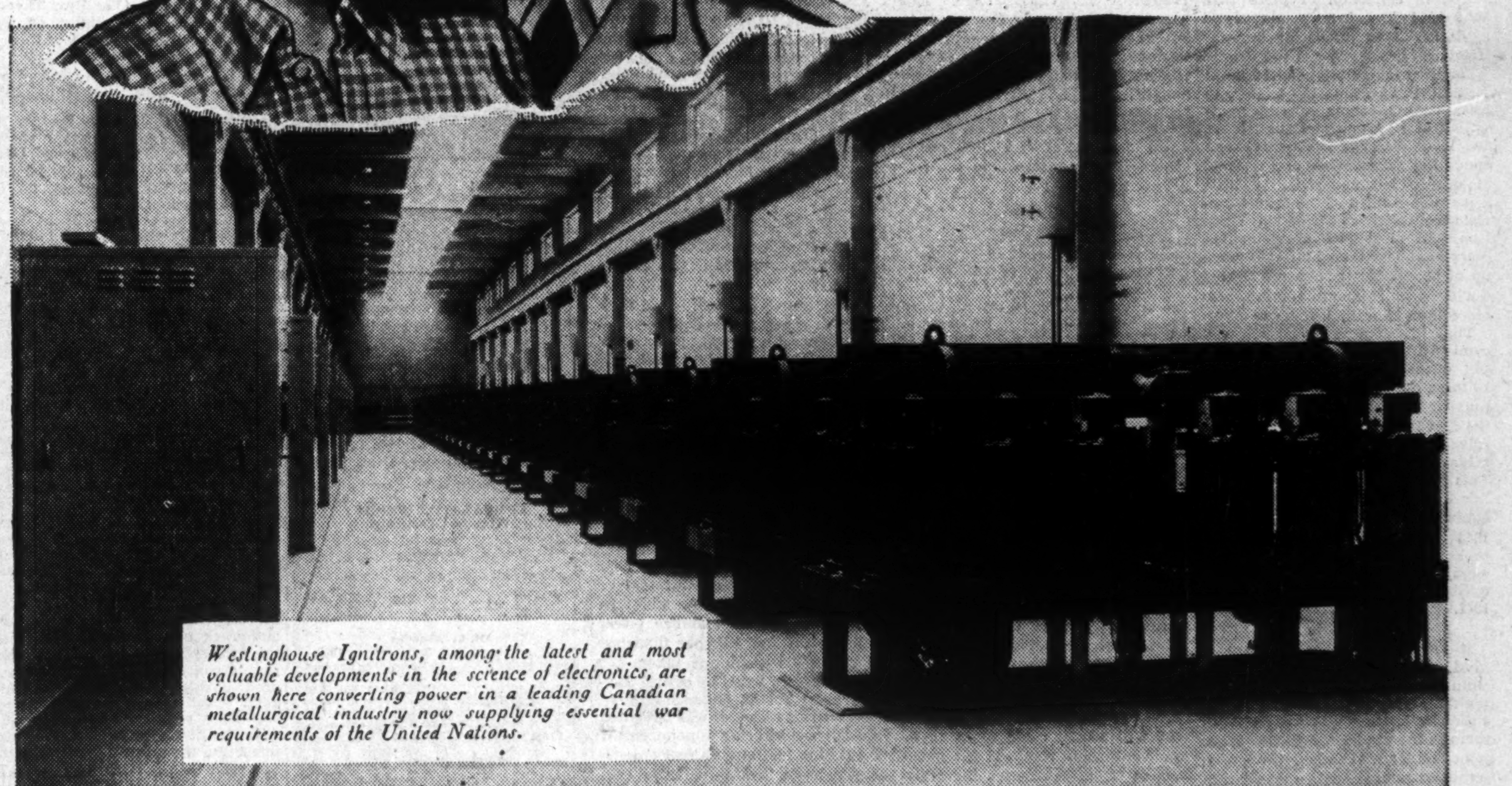

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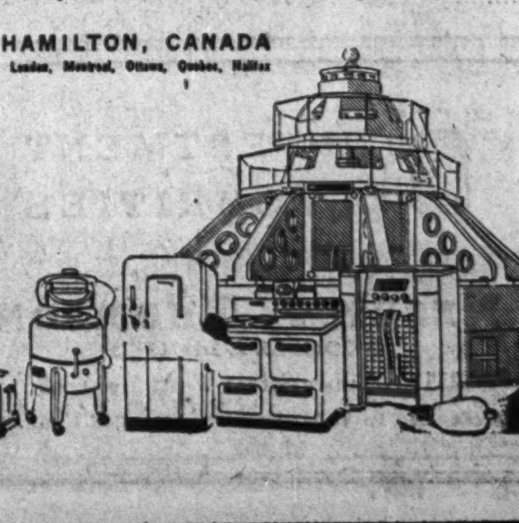

Downward Trend Holds For August Dividends

Eight Months Total Down $4.4 Millions From 1942 and $17.2 Millions From 1941 — With August Drop Due to Mining Payments

Total dividends payable in August show a further decline of $790,842 from the same month last year, the decline for the year to date is $4.4 millions below the first eight months of 1942, which in turn was $12.8 millions below the corresponding period of 1941.

Bulk of the August decline is attributable to the payment last year of a number of interim mining company dividends which were not repeated this year. Nine mines paid dividends this year against 12 last year. The total mining dividends in August, 1942, amounted to $1.7 millions against $1.2 millions this year.

Three companies are scheduled to resume dividends this month—Crescent Creamery preferred with $4, the first payment since 1934; Consolidated Press A, with 40 cents, first since 1938; and Kerr Lake Mines with 5 cents, the first since 1941. Ontario Silknit is paying $1 on arrears.

One extra dividend is to be paid, that of John Bertram & Sons for 5 cents, while two companies are reducing their disbursements — Commoil with ½ cent, against 1 cent in February; Conduits National with 15 cents against 25 cents in February.

Monthly Dividends

	1943	1942
January	$20,222,823	$22,952,057
February	9,688,637	10,016,154
March	26,372,190	27,730,638
April	20,362,954	21,221,615
May	7,998,821	6,357,276
June	50,910,505	48,456,376
July	25,176,055	27,581,376
August	9,741,115	10,531,957
Total	170,473,100	174,847,449

August Payments

Company	Rate	Date	Amount
Anglo-Can. Tele., p.	.68¾q	2	56,787
Atlas Steels	.15q	1	25,032
Do., 2nd. pref.	1.75q	15	3,500
Aluminum of Can. pf.	1.25q	1	187,500
Ault & Wiborg, pf.	1.37½q	3	6,182
Bertram & Sons	.15s	16	9,000
Do., extra	.05	16	3,000
Blue Ribbon, pfd.	.62½q	1	18,656
B.C. Tele 2nd pf.	1.50q	1	67,500
Caldwell Linen 1st pf.	.38q	2	5,700
Do., 2nd pref.	.20q	2	5,000
Calgary Power, pfd.	1.50q	2	88,500
Canada Starch, pfd.	3.50s	15	107,418
Can. Bronze	.37½q	2	30,000
Do., pref.	1.25q	2	9,375
Can. Pac. Rly. pf.	2%s	3	2,745,138
Coast Breweries	.03q	2	54,094
Conduits National	.15	9	24,120
Cons. Press (A)	.40	16	20,000
Consumers Glass	.50q	31	159,785
Cosmos Imperial	.30q	14	30,000
Cres. Creamery, pfd.	4	15	40,000
Crown Cork	.50q	16	50,000
Distillers Seag., p.	†1.25q	2	195,004
Dominion Bridge	.30q	25	154,185
Dom. Fabrics	.20	2	14,000
Do., 1st pref.	.75q	2	6,750
Do., 2nd pref.	.37½q	2	7,500
Dominion Tar, pfd.	1.37½q	2	69,231
Gen. Steel Wares, pfd.	1.75q	16	78,750
Gordon & Belyea (A)	2	2	4,400
Do., com. (B)	.40	2	370
Granby El. Web, pd.	.69q	1	6,480
Hudson's Bay	4+1½%	‡	666,000
Hydro El. Secs. B., p.	.25s	2	165,240
Inter. Metal p. & A, pf.	1.50q	2	67,807
Inter. Util. pr. pfd.	†.87½q	2	85,198
Levy Bros.	.10	2	5,000
Ont. Silknit, pf.	▲1	16	10,000
Ont. Steel Prod.	.25	16	12,110
Do., pref.	1.75q	16	6,304
Penman's	.75q	16	48,388
Do., pref.	1.50q	2	16,125
Prov. Transport	.20s	14	50,000
Quebec Power	.25q	25	138,299
Rolland Paper, c.	.15q	16	9,000
Saguenay Power, p.	1.37½	1	68,750
Shawinigan Water	.23q	25	500,997
Sher.-Williams, c.	.15q	1	30,000
Simpsons, pref.	1.62½q	2	182,812
South Can. Power, c.	.20q	16	80,000
St. Law. Flour	.35q	2	12,600
Do., pref.	1.75q	2	9,765
Steel of Canada	.75q	2	845,000
Do., pref.	.75q	2	194,889
Weston, Geo., pfd.	1.25q	2	21,875
Wood, A. & J., pfd.	1.75q	1	11,375
York Knitting	.20s	16	45,802
Do., 1st pref.	3.50s	16	5,250
Do., 2nd pref.	3.50s	16	10,500
Zellers	.20q	1	25,000
Do., pref.	.37½q	1	11,250
Total			7,118,293
Mining Companies			
Hedley Mascot	.02q	16	45,282
Hollinger Cons.	.05	12	246,000
Inter. Nickel, pf.	†1.75q	2	483,486
Kerr Addison G.	.05	28	236,515
Kerr Lake Mines	†.05	20	30,000
Leitch Gold	.02q	14	57,000
Privateer Mine	.02q	10	49,080
Toburn Gold	.01	23	18,500
Upper Canada	.02½q	28	74,075
Total			1,239,938
Oil Companies			
Canadian Oil c.	.25q	14	35,941
Commoil	.00½	23	5,669
Total			41,610
Financial			
Can. Bank Commerce	1.50q	2	450,000
Can. Investors	.10q	2	10,000
Dominion Bank	2q	2	140,000
Imperial Bank	2q	2	140,000
Inter. Holdings	.50	16	488,261
Mtge. Corp. of N.S.	1.25q	1	8,500
Royal Trust	.80q	2	80,000
Sherbrooke Trust	1.50q	2	4,500
United Corp. (A)	.38q	16	20,013
Total			1,341,274
Grand total			9,741,115

q Quarterly. s Semi-annually. ▲Arrears. † N.Y. funds. ‡ Payable date to be announced later.

Volunteer Scrap Hunters Net 366 Million Pounds

Canada's national salvage campaign, begun in April, 1941, has resulted in collection of more than 366,905,561 lb. of materials of all kinds usable in furthering the war effort.

This impressive total, rolled up in the 26 months from May 1, 1941, to June 30, 1943, covers voluntary collection of iron and steel and other metals, paper, rags, rubber, fats and bones, bottles and glass and a group of unclassified materials. A little more than a third of the total materials collected consisted of scrap iron and steel and other metals. Somewhat less than half was made up of paper. Total rubber collected during the 26-month period was more than 25 million lb.

That the country has been well combed for scrap and that the supply of some salvage materials is running out is indicated by the total number of pounds collected during the first three months of the current salvage year, it is suggested. (The salvage year is April 1-March 31.) This figure of approximately 47 million lb. compares favorably with the equivalent period in 1942. Should 1943 collections continue at the present rate, the year's total will be about 188 million lb., or some 60 million lb. less than the total for 1942.

Less Scrap to Get

If this proves to be the case, it need not necessarily reflect upon the Voluntary Salvage Committees nor the thousands of Canadians who are enthusiastically co-operating with them in the vital but non-glamorous job of salvage collection. Obviously, scrap for salvage, with some exceptions, does not represent an inexhaustible commodity. For example, iron and steel and other metals, having been turned into war equipment are shipped out of the country. Much the same can be said for rubber, rags and paper. Fats and bones, turned into explosives, are also lost to scrap collectors, but in this case the source of supply remains so long as Canadians continue to have meat on their tables.

At the present time such Voluntary Salvage Committees number 1,681 distributed among the nine provinces. This number compares with over 2,000 in 1942.

26 Months Salvage Operations

	Materials marketed, lb.	Lb. per 1,000 pop.
P. E. I.	2,620,917	27,588
N. S.	7,221,012	12,497
N. B.	8,277,099	18,112
Que.	56,564,545	16,976
Ont.	192,583,922	50,840
Man.	37,395,592	51,227
Sask.	15,508,366	17,309
Alta.	21,232,610	26,674
B. C.	25,501,298	31,175
Total	366,905,561	31,932

During the first 11 months of the salvage campaign, total materials collected was 71,838,531 lb. This was multiplied nearly four times to 248,137,265 lb. in the 12 months following, and with addition of 46,929,765 lb. collected during the three months, April 1 to June 30, of this year, came to the grand total of 366,905,561 lb. for 26 months. Breakdown of this total by kind of materials collected is shown in the following tabulation:

Materials Collected

	Pounds	% of Total
Iron & steel	103,503,547	28.21
Other metals	18,505,976	5.04
Paper	153,244,131	41.77
Rags, etc.	12,746,107	3.48
Rubber	25,259,233	6.88
Fats & bones	3,718,406	1.01
Bottles & glass	18,395,079	5.01
Unclassified	31,533,082	8.60

Early last month, to encourage greater efforts in salvage operations, both the Canadian National and Canadian Pacific Railway companies put into effect special reduced less-than-carload freight rates applicable on the shipment of war salvage in the four western provinces.

Aid For Western Collectors

The special rates, said Maj.-Gen. L. R. LaFleche, minister of national war services, "will be of great assistance to hundreds of western Voluntary Salvage Committees in shipping accumulations of small lots of war salvage materials." As a result, he said, Canadian war industries will get more of necessary raw materials and the Salvage Committees will secure more funds to be applied toward comforts for members of the armed forces and registered war charities.

The reduced rates will apply on most salvage items but not on fats and bones, as these items can be shipped collect to processors who assume transportation costs.

Since early in the war, Canadians have been urged to "get in the scrap" for victory. Many voluntary groups were formed throughout the country and operated along lines established in Britain. At first some confusion existed as to what scrap to collect and what to do with it when collected. It wasn't until April, 1941, that the Salvage Division of the Department of National War Services was set up to co-ordinate collection and sale of scrap. At that time it was adopted as policy that money so realized should be used for war charities, and voluntary committees were required to register under the War Charities Act and file annual statements of operations.

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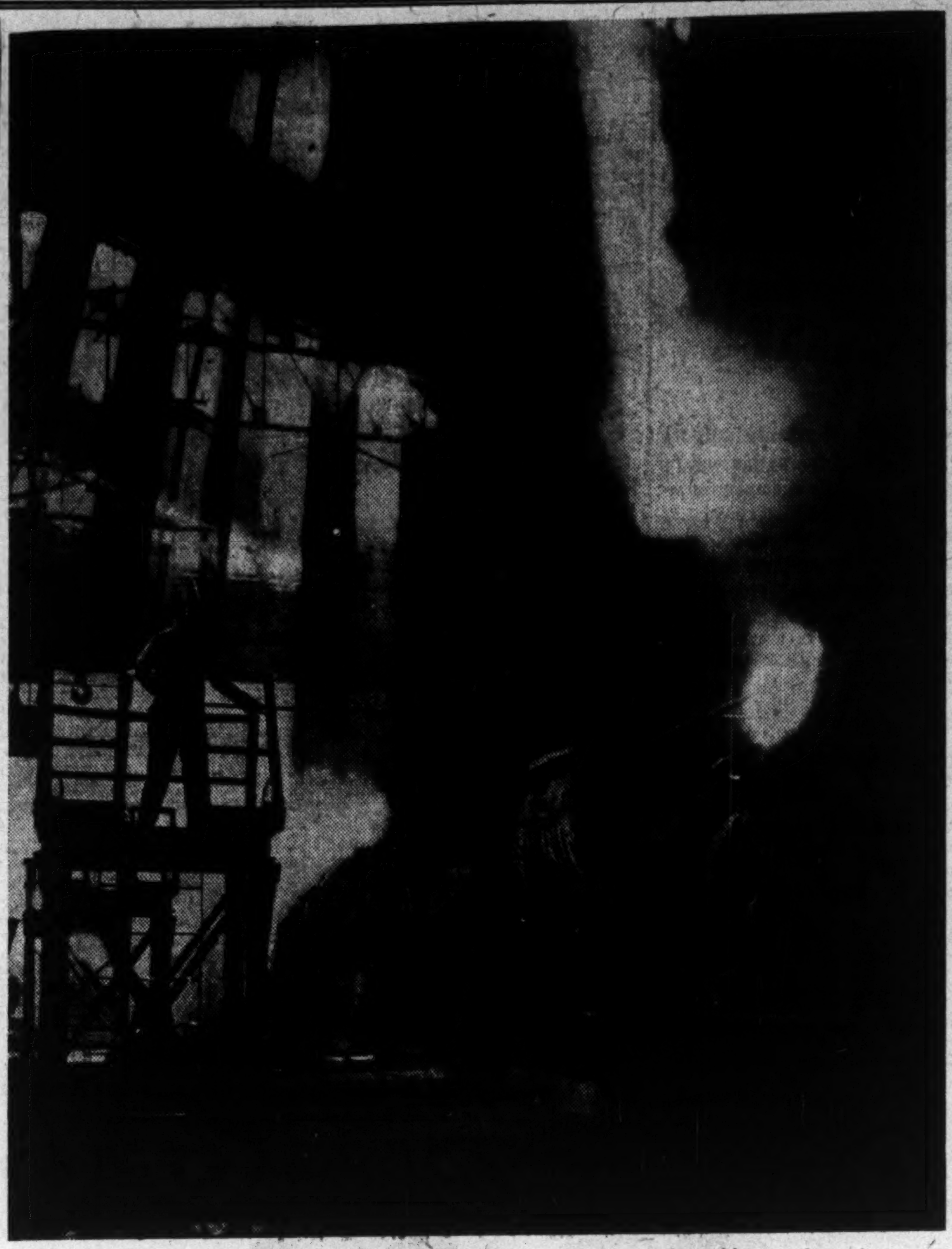

Smelters across Canada are working at capacity in the war effort. New equipment recently added will enable them more successfully to meet wartime requirements.

Duchess Apple At Regal Price, All Fruit High

Promised Tree-crop Ceiling Will Fix Levels Greatly Above 1942

Although vegetable prices are softening, staple fresh fruits have been clinging to forbidding levels on the wholesale market. Prices quoted here, indicative of what is happening nationally, are for the Toronto market.

At $7.50 bu., the Duchess apple is 88% more costly than a year ago, when it sold for $3.82 bu. average.

This season, the strawberry has been selling at 60% above last year's price, 32c. qt., against 19.5c.

Vegetables, too, are contributing substantially to the high cost of eating.

Celery of average length and pack has been going at about 66% above last season with a recent price average of $5.44 case against about $3.30 a year ago.

Tomatoes haven't been cheap either. Gain for the Texas variety this year has been to 18c. lb. average, from the 11c. of last summer, or roughly 63%, while a 40% boost in Ontario hothouse tomato prices is reflected in the average figures 28c. lb. this year against 20c. in 1942.

WPTB's July-end announcement made clear that when, in the near future, a ceiling is applied to tree crops—plum, peach, pear and possibly apple—it will stabilize prices at levels distinctly higher than last year's. Steps would be taken, the announcement said, to ensure canning "some portion" of such crops.

At the same time, it was indicated late fall would bring announcement of a ceiling for storable root crops—carrots, beets, turnips, parsnips, cabbage—to control their prices in the winter-spring period of shorter supply.

Staple fruits and vegetables so far have been little affected by Canadian price freezing.

Potatoes and onions went under ceiling in 1942, but tomatoes, celery, cabbage, carrots, beets, etc., haven't been controlled.

Oranges and bananas were frozen last year but no ceiling had been attempted for berries or domestic tree fruits.

Source of Pressure

This summer's acute shortage of fresh fruits, and corresponding high retail prices, stem from reduced acreage of annual crops, a reduction attributed by marketers equally to unfavorable weather and the universal wartime labor problem.

For long-term comfort, weather-wise fruit and vegetable men predict a favorable winter-spring for 1944 crops, as contrasted with what they call an "unusually bad" beginning for the current season.

Citing causative factors of severe early winter, deep temperature fluctuations afterward, and an extraordinarily wet spring, George Wilson, Ont. Dept. Agriculture, told The Financial Post that almost the entire range of staple fruit and vegetable prices had shown price increases over the 1942 level.

Heavily hit at the outset by the weather adversity, growers also had been hurt further by costliness of scarce and untrained labor, and a good many of them, Wilson said, had turned to "lower labor-cost" crops, for example, from strawberries to potatoes, feed grains or even pasture.

Prepared from figures of record in the Dominion agricultural marketing service, the following tables of Toronto wholesale prices afford a representative picture of 1943 increases over 1942 for apples, strawberries, celery and tomatoes:

COMPARATIVE PRICES (Toronto Wholesale)

Apples — Duchess

Weeks ended:	1943 per bu. $	1942 per bu. $
July 17	6.75–7.00	4.65–3.75
July 24	7.50	3.50–3.75

B. C. Winesap

Weeks ended:	1943 per box $	1942 per box $
June 19	5.00–5.25	4.00–4.25
June 26	5.00–5.50	4.00–4.50
July 3	5.00–5.75	4.00–4.50
July 10	5.00–5.75	off market
July 17	5.00–5.75	off market

Strawberries

Weeks ended:	1943 per quart c	1942 per quart c
June 19	45–60	20–26
June 26	25–30	14–16
July 3	22–24	20–22
July 10	24–26	off market
July 17	30–32	off market

Celery

Weeks ended:	1943 per crate $	1942 per crate $
June 19	7.50–10.00	4.00–6.00
June 26	5.00–7.50	3.25–3.75
July 3	4.00–6.00	4.00–4.25
July 10	5.50–7.00	2.75–3.50
July 17	3.25–4.00	2.00–2.75
July 24	2.50–3.00	1.50–1.75

Tomatoes

Weeks ended:	1943 Texas per lb. c	1943 Ont. hothouses per lb. c	1942 Texas per lb. c	1942 Ont. hothouses per lb. c
June 19	18–19	27–30	12.5–13.5	18–22
June 26	18–19	28–32	11.5–12.5	18–20
July 3	19	28–32	11.5–12.5	20–22
July 10	18–19	28–30	9.7–10.5	20–24
July 17	18–19	28–30	9.7–11.0	18–20
July 24	18	20–21	9.7–11.0	12–20

Chatham Oil Has New Wells

Four producing wells have now been drilled on the property of Chatham Oil, a subsidiary of Ajax Oil & Gas, with Ajax receiving a total of 452 bbls. a day as its share of the production of these wells.

In a report on the new property, A. J. Anderson, president of Ajax Oil, said that, if further drilling measured up to what has been done to date, the company may expect a steady income from the venture within a reasonable period of time.

In 1937 Chatham Oil joined with other interests in a geological and seismograph investigation of an area in Fremont County, Wyoming. Leases were taken on two areas consisting of 1,053 acres in the southern block, and 5,800 acres in the northern block. The northern leases are believed to cover a full oil structure with complete closures, the report states. Drilling is being done on a plan of one well to every 40 acres, and geologists advise that it is possible that production will finally total 750,000 bbls. on each of between 20 and 40 productive wells.

Two wells are now in production, and two are nearly completed on this section. Production currently yields the company 310 bbls. (total production 1,240 bbls.) daily, at a net price to the company of 85c. a bbl. Production is from the Sundance Sand at approximately 5,100 ft., with a productive sand thickness of over 100 feet. The Tensleet Sand, which is yielding oil on the south block, underlies the present producing levels on the north and may prove an additional source of oil, after the present level is exhausted.

Drilling in the southern section was commenced in 1942 and two producing wells have now been completed which net Chatham Oil 142 bbls. daily on its ¼ share in the undertaking. The company net 65c. a gallon from this oil which is found at a depth of about 6,300 feet in Tensleet Sand, with a productive sand thickness of over 100 feet.

The total cost of completing each well is approximately $80,000.

Market Opinions

Barron's, (N. Y.) (The Trader)—Decline in stocks has now gone sufficiently far to represent a break in the backbone of an almost unprecedented vertical rise. A vigorous recovery rarely sets in immediately after so serious a development. Therefore, regardless of the temporary action of individual issues or, for that matter, of the market as a whole, a considerable period of readjustment to compensate for the speculative excesses of late spring would seem to be in order.

* * *

Barron's, (N.Y.) (The Dow Theorist)—The secondary trend of the stock market under the Dow theory apparently turned down late in July. The Dow-Jones industrial average, except for last Thursday's rally, has been declining pretty steadily since July 14, when it closed at its bull market high of 145.82. The railroad average has been going down since July 24, the day of its highest point (38.30) in this bull market.

If the averages recover at least one third of these declines, but fail, either one or both, to reach new highs, and then fall to new lows, a secondary downtrend signal satisfying all technical requirements will have occurred. If, on the other hand, the averages both recover to new high, the bull market will be reaffirmed.

* * *

Financial World, (N. Y.)—In the recent shakeout, the so-called war stocks suffered considerably more than did representatives of companies that would benefit from peace, and there has doubtless arisen in investors' minds the question of whether to hold for a comeback any war stocks that may remain in their lists. But the experience in this market has been that the peace issues have acted considerably better than the war-favored shares; with the first really important crack now having appeared in the Axis armor selected peace stocks should continue to reflect their favored position and will constitute good substitutes for stocks whose earnings will largely evaporate with the end of hostilities. Any extension of the market decline can be regarded as a temporary market phase which presents opportunities for purchases of stocks facing good peacetime prospects.

* * *

Magazine of Wall Street, N.Y.—As regards selling policy, we favor sitting tight for higher prices and will not change this until the market convincingly indicates formation of an intermediate top. But bargain time has long since gone and we think it sensible not to make new purchases for either intermediate or longer-range retention.

The Shareholder

Market decline in New York had by the beginning of this week brought the Dow-Jones industrial average down 12 points from its year's high of 145.82 which was reached in mid-July. How significant this slump may prove cannot, of course, be determined at present. The initial stages of the drop were accompanied by increasing volume, which had not, however, reached exceptionally large proportions.

Many New York traders appear to welcome the shake-out, provided it does not develop into anything more serious, and tend to regard it as a long-overdue correction to the almost uninterrupted rise since April, 1942. The sight of a market moving steadily upward, apparently on the belief of an early victory, and ignoring the strong probability of sharply increased U. S. taxation, has appeared distinctly unhealthy to many market students.

There may also be some significance in the level the New York market attained before it began its turnaround. In 1938, following the collapse of 1937, the average peaked at 158.41. In 1939 it reached 155.92, and in 1940, 152.80. Thus the New York market (at 145.82) was poking its nose into the lower limits of a "resistance area" that had already discouraged three previous upward movements.

In the past, such "resistance areas" have usually been sufficient to delay even a strong upward move. The point at issue in New York appears to be whether the upward forces have been exhausted, or are merely taking a "breather" for a fresh advance into, and possibly through, the danger zone.

* * *

In the Canadian markets, there is as yet no very clear evidence that the upward forces have terminated. The revival of interest in gold stocks, after industrials, base metals and oils had held the limelight for so long, is being taken in some quarters as a favorable sign.

Although it is admittedly difficult to find investment issues which offer anything approaching bargain-counter yields, and is becoming increasingly difficult to locate more speculative issues which have not already advanced sharply in price, it is felt that the Canadian market is perhaps in sounder condition than that in New York. No one appears to expect any further increase in corporation taxes since we already have a 100% levy on excess earnings, and to increase the tax on companies not earning more than their standard would probably create more hardship than revenue.

There would thus seem to be less justification for a reversal of the upward trend in Canada than in New York where taxation may still be increased. But the long-established "sympathy" between the two markets may make it difficult for the Canadian market to continue its advance if New York does not do likewise.

* * *

The Toronto Stock Exchange has quietly adopted a new policy in its official releases that should be of assistance to the shareholder and a goodwill booster for the Exchange.

An example is the report on transactions and other statistics for the month of July. The newly-elected president, W. G. Malcolm, points out that the Exchange has not found it necessary to increase its own staff, and that member firms are getting along with approximately 1,000 employees, as compared with 3,000 in 1937. The Exchange now lists 546 securities, whose shares outstanding total approximately 680 millions, and have a current market value of some $4.6 billions.

For the first seven months of 1943, trading has involved a turnover of 71.6 million shares, against 21.7 million shares for the same period last year. July accounted for 15.7 million shares, the highest total since Jan., 1939. But trading is still far below the 1937 levels. In that year, 57 million shares turned over in a single month, and for the first seven months the total reached 204 million shares; nearly three times the level for 1943.

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Bulolo Gold Dredging
Canadian Bronze
Crown Cork and Seal
Famous Players Canadian
Industrial Acceptance
Jamaica Public Service
John A. Lang & Sons
National Steel Car
Niagara Wire Weaving
Pato Consolidated Gold Dredging
Placer Development
Provincial Transport
H. Simon & Sons
Wilsil
Zeller's

A pamphlet descriptive of many of the above companies will be forwarded on request to anyone interested.

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Real Estate

What U. K. Plan Would Mean Here

400,000 Men In Construction, 100,000 Houses a Year, Two Key Angles

A ten-year postwar building program which has been outlined in a United Kingdom White Paper indicates the extent and nature of postwar construction envisaged for Great Britain.

The U. K. program calls for:

1. A building army of 1,250,000 men for construction projects exclusive of public works.
2. Special training of 200,000 men a year for construction work for the first three or four years of the program.
3. Direct and indirect employment for some 3.5 to 4 millions, a number equal to a sixth of the U. K. work force.

What would a program of similar proportions mean for Canada?

With our population roughly a third that of the United Kingdom (excluding Ireland), this would mean:

1. 400,000 directly engaged in construction aside from public works.
2. Over 60,000 a year to be specially trained for construction the first few years after the war.
3. Possibly 1.2 to 1.3 million Canadians engaged directly or indirectly in construction—about a sixth of our potential labor force.

"The Economist," London, estimates that the British program would produce some 500,000 homes a year for 10 years at an average cost of £530 each, allowing 44% of all construction expenditures for homes.

On a proportionate basis, this would mean over 160,000 new homes a year for Canadians.

But permanent homes of a suitable character are not often built in Canada for the equivalent of £530. Canadians have to put furnaces in their homes, have to provide better insulation against a severer climate. Canada might do well to turn out 100,000 good houses a year with a corresponding program.

Determining Factors

To determine if a program similar to the U. K. plan would be desirable for Canada, several factors have an important bearing:

1. The condition of housing in Canada as compared with the U. K. where 250,000 homes are estimated to have been "bombed out."
2. Possibilities of using labor more advantageously in other directions than may be possible in the U. K.
3. The question of how the program will be financed.

In the United Kingdom, a recent White Paper visualizes employment of 1,250,000 in the construction industry after the war. This program is here assessed in terms of what it means to Canada and Canadians if a similar program were to be laid down for us. It shows 400,000 men would be employed in construction — over five times as many as at present — and that over 60,000 men a year would receive special training the first few years.

Home construction was on a more extensive scale in the U. K. than Canada just prior to the war and in spite of 250,000 bombed out U. K. residences, the condition of housing in Canada may be little better than in the U. K. This would suggest from this angle a similar program as desirable here.

As a country younger than the United Kingdom, however, few Canadians would concede that this country has not greater untapped possibilities than the U. K. From this standpoint we might not want as large a program, desiring rather to use resources in other directions.

The question of financing a program—both in the U. K. and Canada—links in with the chief criticism of the U. K. plan.

Program Too Ambitious?

The United Kingdom program has been criticized on the grounds that it is too broad and will entail an expenditure of too large a portion of total resources in this field.

But the United Kingdom possessed a "hard kernel" of a million unemployed before the war. It might be desirable to carry out construction on this more extensive scale if other avenues of employment cannot be developed satisfactorily. The program will mean building of twice as many houses a year as before the war.

If The Economist is correct in saying that 900,000, and not 1,250,000, would be a desirable figure for the number to be employed, the question of finance would not be quite as great.

How Spontaneous Demand Comes In

Spontaneous demand for new houses is seen as likely to be smaller in the U. K. after the war than before by The Economist. This would tend to make the problem of financing still more difficult. The small margin in value between old and new houses in the U. K. is seen as evidence that the U. K. demand has been for additional houses rather than replacement of older units. The Economist does not think people will be willing to pay 50% more just to live in a new house and that this will be a critical factor when it comes to finding a spontaneous demand for new housing.

Pointing out that the program itself may be too large, The Economist says this of how it will have to be financed:

"A large portion of the program —especially the construction of cheap dwelling houses of which many must be built to let — will have to be financed by the Government. It does not follow that the responsibility for the provision of dwellings for the lower-income groups should be entrusted entirely to local authorities; private enterprise ought not to be excluded, provided it can do the job as well or better. The actual task of building will probably best be left to builders on a competitive basis; the Government could avoid jerry-building by prescribing quality standards in consultation with experts and secure their fulfillment by inspection, which may also provide a safeguard against overcharging."

Ignores Full Employment

The Economist, in all this, does not mention what might prove to be an important point: The possibility that full employment of resources may in large part provide its own solution to the problem of finding prospective purchasers for houses. It is also frequently mentioned, in Canada as well as in the U. K., that individual hoards of war bonds would make an appropriate down payment on a new residence.

If The Economist's criticism, that the U. K. White Paper program is too ambitious, however actually does hold water, it might not necessarily follow that a similar program on a population ratio basis would also be too big for Canada.

In Canada the Government has not found it necessary actually to subsidize housing for the lower income groups except as a wartime expedient. Canadians as a whole have perhaps shown a greater ability to buy homes than the people of the United Kingdom.

But if full employment of resources—granted it be attained—does not provide the means for lower income groups to become home purchasers or renters at economic rents, then the oft-suggested Government subsidy of housing in Canada could become a necessity. A number of authorities who have surveyed the Canadian scene state that providing houses for the upper and middle income groups presents no problem, but they have been unwilling to admit that a minimum standard of housing can be maintained for the lower income groups without actual Government assistance.

Perhaps the application of a steeply graduated income tax to Canadian incomes will mean a relatively greater ability of the lower income groups to afford homes in Canada after this war — especially if we are successful in maintaining our national income anywhere close to the present level of over $8 billions.

CNR PROMOTION

M. A. Metcalf, who has been appointed executive assistant to the president, Canadian National Railways. Mr. Metcalf was formerly assistant to the president.

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Plan To Merge Trust Firms

Guaranty Trust Makes Offer for Assets Niagara Falls Loan

Guaranty Trust Co. of Canada and Niagara Falls Loan and Savings Co. have entered into an agreement for the purchase by Guaranty Trust of all the assets and undertakings of the Loan and Savings Co., J. Wilson Berry, vice-president and general manager, announces.

Niagara Falls Loan and Savings Co., formerly known as Niagara Falls Building Savings and Loan Association, was originally incorporated under the Building Society Act in 1887 with its head office in Niagara Falls, Ont., and was re-incorporated by special act of the Ontario Legislature in 1936 under its present name. Its paid-up capital is in excess of $750,000.

The agreement provides for a cash consideration to the shareholders of the Niagara Falls Loan and Savings Co., equivalent to $9.25 for each $10 par value share held.

It is understood that E. Blake Winter, president, J. William Berry, vice-president and general manager, and L. A. Landriau, K.C., director, represented Guaranty Trust Co. of Canada in the negotiations, and U. H. Bowen, president, John B. Mears, vice-president, Harry C. Pattison, secretary, and James H. Denton, George A. Emery and Sydney Packer, directors, represented the Niagara Falls Loan and Savings Co.

Shareholders' meetings of both companies are being called at once to pass upon the agreement which, if approved, will become effective shortly thereafter.

Ford Motor Co. Develops New V-8 Tank Engine.

Developing 500 h.p., a new V-8 engine for use in American army tanks is being produced by the Ford Motor Co. in Detroit. Standard V-8 engines used in civilian cars and trucks are rated from 85 to 95 h.p.

Basic specifications of the new tank engine were taken from a 12-cylinder liquid cooled aircraft engine built by Ford as an independent project in 1940 and 1941. Working with army ordnance experts, Ford engineers cut the original engine down to eight cylinders and adapted it to tank use by certain changes in design.

The "500" V-8 is said to be popular with tank men because of its dependability, "zip" and compact design which makes it easy to service. In rigorous army tests the new type engine led in endurance and proved better than other types of engines in nearly all phases of performance.

The V-8 tank engine lends itself to mass production and its manufacture has been possible with a minimum of change in existing machinery in the Lincoln plant where it is being produced.

Investment Notes

Standard Paving & Materials' president, J. F. M. Stewart, reports to shareholders that the annual report of the company has been held up due to inability to get certain contract adjustments made. The statement, which covers the fiscal year ended March 31, should be ready shortly, he adds.

* * *

Texas Canadian Oil has informed shareholders that plans for a change of capital stock from 500,000 shares of $5 par value to 10,000 shares of $100 par value, will be held at Wilmington, Del. Shareholders will also be asked to discuss a proposed purchase by the company of the stock of Paluxy Asphalt, a Texas corporation, or a merger of the two companies. In Dec. 1939, shareholders approved transfer of the assets to the Delaware company and exchange of new for old shares on a one-for-five basis.

* * *

Canada Bread's president, C. H. Carlisle, stated that an increase in reserves for postwar rehabilitation and contingencies might easily become necessary if the war lasted another year. This informal statement was made at the company's annual meeting, where he also stated that sales of Canada Bread have increased 113% in the last ten years. Present reserves for the postwar period include $100,000 earmarked for this purpose and $100,000 in a reserve for contingencies against which there is no present charge.

New Air Links Sought To U. S.

American Airlines Asks Authority For Ottawa-Washington Route

Direct air service between Ottawa and Washington may be expected in the near future if American Airlines, Inc. is allowed to go ahead with plans it has for thus linking the two capitals. Convinced of the need for such a service, particularly in wartime, this company has filed application with the U. S. Civil Aeronautics Board for permission to extend its routes.

Any such route would also have to be approved by the Department of Transport at Ottawa.

The proposed new route, American Airlines officials say, would permit the company to operate direct from Ottawa to Washington via Syracuse and New York. They add that, if a recent application for permission to extend routes from Wilkes-Barre to Philadelphia is granted, service between Ottawa and Washington can be further improved through direct service over one airline route of 512 miles as compared with the present shortest air route of 662 miles between the two capitals.

Claims Service Inadequate

In announcing the application to CAB, American Airlines President A. N. Kemp pointed out that travel by air between Ottawa and Washington now involves a choice between two devious routes, the shorter of which, via Montreal, is accomplished by using three different airlines. The longer route, via Toronto, requires two. He added the belief that "such service would not be adequate in normal times and is certainly not the expedited air transportation demanded by the present emergency."

Because of what he described as a wartime necessity for fast, direct air service between Ottawa and Washington, the American Airlines president believed that CAB should assign his company's application for immediate hearing.

In addition to the application to operate direct from Washington to Ottawa, American Airlines discloses that it has also applied for a route from Syracuse to Montreal via Watertown and Massena, New York. At present there is no direct service between these two cities, according to American Airlines officials. They say their proposed new route will provide an improved air service between Montreal and cities such as Rochester, Buffalo, Cleveland, Cincinnati, Nashville, Memphis, Dallas and other points in the U. S. South and Southwest.

Civilian air traffic links between Canada and the United States will total eleven, should the American Airlines applications be approved by both CAB and the Canadian Department of Transport and be put into effect. Nine such links are now in operation as follows:

Canada-U. S. Air Links

Route: Operator

Seattle-Vancouver—United Airlines.
Great Falls, Mont. - Lethbridge — Western Airlines.
Fargo, N.D.-Winnipeg—Northwestern Airlines.
Detroit-Windsor—American Airlines.
Buffalo-Toronto—American Airlines.
Toronto-New York — Trans-Canada Airlines.
Burlington, Vt.-Montreal — Colonial Airlines.
*Montreal-Boston—Northeastern Airlines.
Boston-Moncton—Northeastern Airlines.
*Temporarily discontinued.

Sigma Mines reports a gross production for July, 1943, of $192,056 from 26,126 tons milled. This compares with gross production of $184,868 for June, 1943, and $253,922 for July of last year.

Plan to Detail Soldiers To Seasonal Farm Work

Departments of National Defense and Labor have completed plans which will permit detailing of certain men in the army in Canada to farm labor on specific farms. During such period of employment their pay and allowances in the army would be continued.

In addition, soldiers doing farm work are to get board and lodging and pay at the following scales: western Canada, $4 a day; Ontario, $3.50; Quebec and the Maritimes, $3.

Hon. Humphrey Mitchell, Minister of Labor, invited Premiers of the Provinces to co-operate with the Dominion in this plan to place soldiers from army units stationed in Canada at seasonal farm work. The scheme has been worked out in co-operation with Hon. J. L. Ralston, Minister of National Defense.

Soldier Gets Extra Pay

It is proposed that the plan be worked out under the existing Dominion - provincial Farm Labor Agreement and that the provinces share in the responsibility and administrative expense. It has been suggested that the soldier would be paid, in addition to his army pay and allowances, the difference between the amount charged to the farmer at a specific rate and the pay and allowances which the soldier receives from the army.

Under the Dominion-provincial setup it would be necessary to collect the amount owing by the farmer and pay it to the National Defense Department. Under no circumstances could a soldier collect it.

Farmers will be invited to advise the governments of their labor requirements; government agencies dealing with the matter will be named later. These requirements will be notified to the army, and District Officers Commanding will direct army personnel to proceed to the farms to fill the vacancies. While the soldiers will remain under military discipline and orders, they will work for the farmers in the same manner as civilian farm workers.

Rates of pay are being fixed, at which the farmer will engage the soldier's services, but the wages will not be paid by the farmer directly to the soldier. The soldier will continue to draw his regular army pay, and any allowance to his dependents will also continue, but after his return to his unit, the man will be given any additional money which he may have earned, over and above army pay and allowances. Farmer will pay wages to army paymaster.

It is expected that the farmer will be required to guarantee full wages for the period during which a man is engaged, regardless of weather or other working conditions.

Sockeye Pack Drops Sharply

Diverging Price Ceilings and Small Catches Unsettle Fish Prospects

From Our Own Correspondent

VANCOUVER.—Reports on the British Columbia salmon pack so far indicate that production on the west coast will be well below average.

To July 17 the total pack was 68,444 cases, of which 47,979 cases were sockeye. The pack in the corresponding cycle year of 1939 was 113,569 cases on July 15, and last year at that date the pack was 139,630 cases. In other words, the pack so far this year is less than half of what it was last year.

Most of the fishing has been confined to date to the Rivers Inlet and northern areas. Prospects for the Fraser River are still uncertain, but it is clear that the catch there will not approach that of last year, when a record pack was produced.

Pilchard fishermen and reduction plant operators anticipate a normal catch, and little fish are reported to be running in heavy volume off the west coast. An average pack is about 50,000 tons; the record, set some time ago, was 70,000 tons.

To Sign New Agreement

Fishermen and canners are expected to sign a new agreement based on last year's conditions within the next few days.

Meanwhile the halibut situation on this coast continues to be confused, due to the fact that price ceilings have been instituted for fresh halibut in the U. S. but not in Canada. Seattle is complaining because American fishermen are selling their northern catch in Prince Rupert rather than bringing it south to Puget Sound because of the price difference. During the third week in July U. S. fish boats landed 900,000 lb. of halibut at Prince Rupert while Canadian boats were landing 161,000 lb.

The present situation is a complete reversal of conditions a few weeks ago when, with no ceilings, fresh fish prices in the U. S. were unusually high, and much Canadian halibut went across the line.

Company Reports

M. & O. Paper

Gross profit on sales of Minnesota & Ontario Paper Co. were nearly $1 million lower in the first half of 1943 than in the similar period of 1942. A reduction in reserve for taxes of approximately the same amount brought net profits for the period to 51 cents a share against last year's 49 cents for the same period. In the three months ended June 30, 1943, earnings per share totalled 27 cents. Last year's tax reserve proved to be overstated, according to R. H. M. Robinson, president.

Earnings of National Pole & Treating Co. were also sharply lower on the half year.

Consol. Earnings Statement
Six Mos. Periods Ended June 30

	1943 $	1942 $
Net sales	11,950,995	12,313,333
Less: Cost of sales	9,305,465	8,699,253
Gr. prof. on sales	2,645,530	3,614,080
Less: Sell., adm. & gen. exp.	911,409	1,035,317
Oper. profit*	1,734,121	2,578,763
Add: Oth. inc. (net)	30,748	17,262
Less: Candn. news. price stabl.	189,858	......
Net earnings	1,575,012	2,596,025
Less: Bond int.	213,756	238,169
Prov. for taxes	678,200	1,702,575
Net profit	683,055	655,281
Add: Prof. on bds. purch.	38,971	68,793
Surplus	722,026	724,074
*After charging to production:		
Deprec.	663,901	838,047
Depletion	145,046	204,863
Times Bond Interest Earned:		
Before depr. & depl.	11.15	14.44
After depr. & depl.	7.27	10.90
Earns. per Share	$0.51	$0.49

National Pole & Treating Co.
Profit and Loss Account
Periods Ended June 30

	6 mos. 1943	6 mos. 1942
Sales (net)	$707,440	1,171,636
Less: Cost of sales	585,030	826,214
Gross profit	122,410	345,422
Less: Expenses	48,421	60,712
Net oper. profit	73,989	284,710
Add: Other inc.	*11,230	1,314
Net earnings	62,759	286,024
Less: Int. on f. d.	3,753	9,275
Inc. & E. P. tax	24,000	200,000
Net profit	35,006	76,749
Depreo. chgd.	17,718	17,772

Unlisteds Soften In Week's Trading

The majority of the unlisted stocks showed declines during the past week according to Plaxton, McDonnell & Co. Some firmness was displayed at the close of Tuesday's session.

Andian National lost fractionally closing 24-25¼. Atlas Steels com. advanced one point at 25 bid. Brown co. preferred lost 1¼ at 33¾ to 36, the common lost ⅛ at $1.95 to $2.45. Burns "A" dropped one point at 10½ to 12. Burns "B" declined fractionally at 6-7. Canadian Industries "B" dropped five points at 160-163. Canadian Western Lumber, an inactive issue, was fractionally better at 50 cents bid. John Inglis lost ½ point at 8¼ to 9.

Morrison Brass units sold at 19 for a gain of four points then closed 15 to 17½. Inquiries continued for Niagara Falls Loan & Savings which closed 7⅛ bid, up two points.

Losses were recorded in the grain elevator issues as follows: Federal Grain $6.50 preferred lost two points at 80-83. Federal Grain common lost ¾ at $3.00-$3.50. Western Grain 6½% preferred dropped 3 points at 35½-38.

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Democracy — A creditman's viewpoint
Municipal district accounting
Wartime taxation and public utility companies
Income tax deductions from wages
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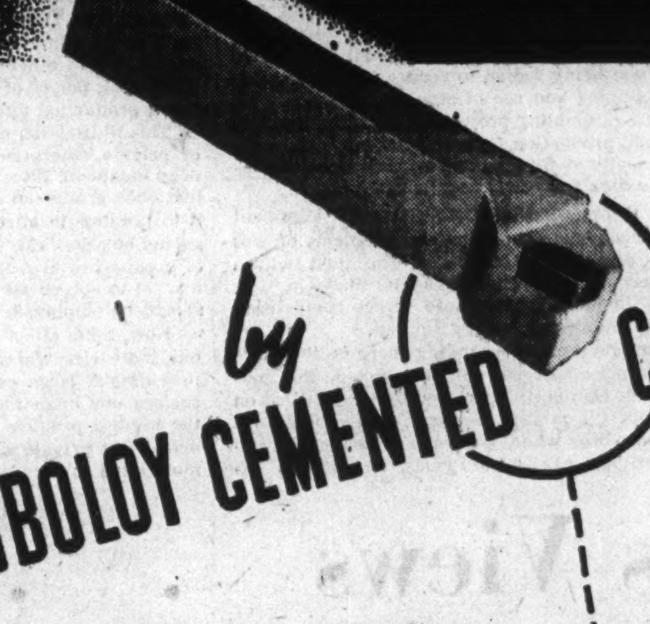
Munitions Produced Many Times Faster than During the Last War



WINNING important production battles in war plants everywhere in the Dominion are Carboloy cemented carbide tools and dies—produced by Canadian General Electric. For Carboloy is the "magic metal" that cuts through steel as easily as a knife cuts through butter. It steps up machining speeds wherever metals must be cut or processed, making munitions output many times faster than was possible during the last war. Carboloy tools are releasing machines and men for other war work. And they are helping conserve tungsten, supplies of which have been drastically cut by war developments in the Pacific.

Manufacturers of War Equipment interested in the application of Carboloy tools and dies to war production problems are invited to contact their nearest C.G.E. office.

PC-143

CANADIAN GENERAL ELECTRIC CO. LIMITED

The Editorial Page . .

Their Case Needs Consideration

A super-squeeze for the Canadian trucking industry has resulted from the WPTB ceiling on rates and higher operating costs.

The price ceiling, of course, squeezes everybody. It is intended to hurt because a squeeze that didn't hurt would poorly serve the anti-inflationary war we must win on the home front.

Results of a recent survey in the trucking industry published in The Financial Post (July 24, page 7) suggest that truckers have a pretty good case for asking some relief on rates. A comparison of the first four months of 1943 over the same period of 1940 shows that tire and tire repair costs are up 340%; truck repairs up 154%; wages up 102%, fuel up 96%. Having to use old equipment requires constant patching and tinkering with inevitable increase in operating costs.

The financial condition of trucking firms, as presented in this survey, certainly made it plain that the life-blood is being sucked out of them.

The trucking industry is a vital component of Canada's wartime production line. Operations at scores of Canadian plants depend on a constant stream of trucks feeding in raw materials at one end; another stream of trucks removing processed materials at the other. Behind the milk, meat and other foods on tens of thousands of Canadian dinner tables is the trucking industry. The trucking industry has established itself as a vital component of our national system of communications.

Every exception to the price ceiling, every easing of the price squeeze must have the closest scrutiny, the grimmest analysis.

But unalterable devotion to a fixed price can be just as serious for the war effort and for Canada as reckless unconcern for price control as a whole.

And certain it is that bleeding the trucking industry into weakness or virtual disappearance would not help the war effort.

Votes For Civil Servants?

Each week The Financial Post asks some score of Canadians for their view on some question of national interest. The persons questioned are selected because they are particularly fitted to have an intelligent and considered view of the particular matter raised or because they represent the ordinary public-spirited layman who is concerned with how this country gets along.

This week the question is: "Would you favor disfranchising government employees in elections involving the particular government for which they work?"

One respondent asks that his reply be anonymous. In this case, the writer is so unusually well fitted to have informed ideas on this question that The Post breaks a rule and presents this anonymous, but so very well sourced, reply:

"Disfranchisement, in itself, while perhaps desirable is only partial. Employees could still deliver many votes. Disfranchisement should include a whole district and include the people dependent on the employees.

"Appeals of political candidates for employee votes and for promises of votes from employees are equally bad. There should be no embarrassment for either the employee or for the elected. Good men, independent of the political machine, can stop patronage when the public wants it stopped.

"The political machine lives on patronage. Advancement can be made when the people want progress without a quid pro quo."

Coming from a man who should know from long experience, that reply to The Post's wire is filled with many and some unpleasant implications.

This tends to suggest there is something in the comment made to members of The Post staff by some very useful members of the civil service. They have wondered if disfranchisement would be desirable because of the easement to their election-time embarrassment which would result. Election time, some of these harassed public servants say, exposes them to unconscionable pressure from hopeful candidates.

The civil service now contains a great many extremely useful citizens, many of whom, because of their particular skills, character and ability, would be making more money in private business. They form a very valuable group in the nation and they should be spared interference with their citizenship rights at election time. That is one side of the problem.

The other side of the question involves the civil service of the kind strongly entrenched in many municipal governments. These are the groups which form a reliable voting gang for the people who bandy about civic power. In some Canadian municipalities the civil service vote and its influence has reached such power as to outrage the spirit of the democratic system.

But the cure for that evil is in getting the mass of the citizens to exercise their franchise. Perhaps public blacklisting of politicians who resort to blackmailing civil servants for support could be arranged.

Facts We Must Face

One of the gravest problems now concerning top officials of the democracies is the continued absence of any clear intimation that Russia, our wartime ally, plans to remain our peacetime ally; to sit with the democracies at world council tables as a co-operating member.

With the approval of Stalin, a German refugee committee has called on the German people to revolt, overthrow the Nazis and save themselves from the wrath to come by setting up a Communist state in the Reich.

De Gaulle is reported flirting with Moscow and has turned his back on London and Washington.

Russia, informants maintain, is completely devoted to neutrality with Japan.

Russia still refuses her allies any information about her military or supply position; sedulously prevents any allies or allied representatives coming anywhere near her front lines.

The curious situation, now of several years' standing, still prevails: We know almost everything there is to know about Germany. We know hardly anything of what we should know about the Soviets.

Stalin has made it abundantly plain in his recent conferences with democrats that he does not believe that great countries can be governed successfully by popular vote and that, in large sections of the earth, democratic institutions would merely cause chaos and ruin.

The realists, all along, have recognized that one of the biggest problems to be settled after the common enemy is destroyed is how to work out some modus vivendi whereby the people of the Russian and of the democratic ideology can live peaceably together. The realists also are not overwhelmed with the importance of the recent Soviet announcement dissolving the Comintern, the arm of world revolution.

Communism is like a religion. A good Presbyterian does not cease being one because his Presbytery is declared dissolved; neither does the good Communist ditch his conviction that the forcible overthrow of democratic governments is a triumph for all mankind because he has been officially disowned.

With Mussolini out of the way, our cause against Hitler prospering and our machinery for the devastation of Hirohito rapidly a-building, our failure to get some close understanding with Mr. Stalin is now an emergent consideration.

It is certainly one of the biggest ones now so far as our officialdom is concerned. The way to a solution lies not in hoping things will come out right if we say nothing that our Soviet-lovers interpret as a criticism of our gallant ally. It lies in facing the plain facts squarely.

What is Private Enterprise?

What really is "free private enterprise"? Sam O. Dunn, veteran industrial newspaper editor of the United States replies: "My definition of it is enterprise which (1) seeks and receives no subsidies from government; (2) is subjected to no subsidized competition by government; (3) if naturally monopolistic, is strictly regulated by government; (4) if naturally competitive, refrains from practices restricting competition, either voluntarily or because of government compulsion; (5) is not subjected by labor monopolies or government to wages and working conditions that prevent normal, healthy, function of private enterprise.

Cartoon by Grassick.

WELL, AT LEAST IT'S SOME HELP

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

How to Preserve Private Enterprise

Herewith a digest of a very striking pamphlet from the pen of Samuel O. Dunn, chairman of the Simmons-Boardman Publishing Corp. and for many years the brilliant editor of Railway Age.

All private enterprise is threatened by policies promoted by persons who believe that the "rebuilding of America," to use their own phrase, must be done under government dictation to private enterprise, and very largely by government spending.

A government-planned and dominated economy is incompatible with every form of freedom. For such an economy concentrates all *economic* as well as *political* power in the same hands. And great concentration of power always and everywhere results in tyranny.

A government-planned and dominated economy is not being promoted principally as an expedient for transition from war to peace, but as a *permanent* policy, upon the ground that private enterprise has become unequal to the needs of modern conditions and modern people.

Prosperity does not depend on employment alone, but on *what*, as well as on *how much*, is produced.

We have much greater employment and production now than ever before, due to gigantic spending for war. But have we prosperity? Certainly not, when many small businesses are being threatened with ruin, or actually ruined, and when all our civilian population are being forced to reduce to a depression level their buying and use of services and goods. We have nothing resembling prosperity, because huge employment and production for war, however, necessary, are economically as futile and disastrous as equal employment in digging useless post holes.

What is disregarded by those using this argument is that the economic conditions and problems of war and peace are utterly different. The field within which government investment can be made in time of peace without being put into direct competition with private enterprise is very limited.

The more government spending there is, the more private enterprise will and must be evicted. For government-owned property is created by taxes levied on private property, private business, and private incomes. Therefore, when government makes investment to provide services or goods, it both (1) increases the taxes on private property and incomes, and (2) reduces the earnings that private producers of service and goods competing with government can make. The flow of capital into private enterprise, and its ability to furnish employment, are consequently diminished. This gives excuse, and creates apparent, or even real, need for still larger public expenditures and taxation, causing still more shrinkage of private enterprise and employment—a process which, if long enough continued, must destroy all private enterprise. Private enterprise cannot take credit for the prosperity of the Twenties and evade responsibility for the disaster of the Thirties. The people won't let it.

What, then, should private enterprise do? The largest practicable employment and production can be attained in peacetime only by enabling all groups of the people to buy all that all of them can produce. That the people *are* divided into groups — farmers, wage-earners, "white-collar" workers, businessmen, professional men — is a vitally important *fact*, disregard of which has caused much of our economic ills. For example: Normally 40 per cent of our "gainfully employed" have been in towns of less than 2,500 and on the farms. If farm prices are depressed as compared with other prices—a condition which actually existed in the Twenties and early Thirties — this large rural group cannot buy its share of what can be produced by the other groups. And such depression of the buying power of any large group curtails employment, production and incomes of *all the other groups*.

This illustration emphasizes the most vital problem of private enterprise under modern conditions—that of so balancing rates and prices for services and goods that each group can sell all there is national need for it to produce to all other groups. Only by such balancing of prices can there be caused enough exchange of products to provide a large enough total peacetime market to absorb all that can be produced by all who should be employed.

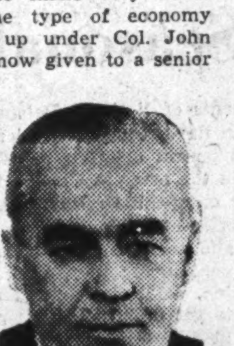
How, then, effect the balancing of the prices of all our industries which will be absolutely essential to providing a large enough total peacetime market to replace our huge wartime market? That is, perhaps, the hardest problem ever presented to private enterprise. But private enterprise, in order to save itself, must solve it.

Post-Scripts . .

Economy Hound

Apparently the Government has decided that the old proverb about leading a horse to water applies in the case of Government economy control.

Having failed to make very much headway with the type of economy machinery it set up under Col. John Thompson, it has now given to a senior civil servant — T. P. Murphy, superintendent of the Equipment and Supply Branch of the Post Office — the part-time job of trying to extend to other departments of Government the impressive results he has obtained in achieving economies in his own bailiwick.



T. P. MURPHY

Mr. Murphy is to assume directorship of Government Offices Economies Control while still carrying on his work at the Post Office. He has been named on the advice and recommendation of the Civil Service Commission and, according to the preliminary statement of policy, he will "seek the co-operation of all civil servants to whom will be explained the necessities for economy and for efficiency which in itself means economy."

If Mr. Murphy is half as successful in extending departmental economy to the rest of Ottawa as he has been within his own department, the taxpayer will get big money's worth out of him. Ever since he started to work for the Post Office department sorting mail bags 40 years ago, Mr. Murphy has been putting his ingenuity and his commonsense to work to save, salvage and economize. His own branch of the Post Office — the branch which keeps your corner post box in good repair and sees that your postman has a new pair of pants every so often and some string to tie up his bundles — has chalked up a country-wide reputation for its thrift and efficiency. This branch was the first in the Government service to filter and reclaim the oil used in P.O. trucks. It saves $40,000 a year by reclaiming and salvaging the string used by postmen to tie their bundles. It has melted and turned over to the National Research Council hundreds of thousands of lead seals used on mail bags and which it regularly reclaims (along with all manner of other metal and materials) from local post offices.

When rubber salvage was at its height last year the branch turned its regular machinery for saving used rubber P.O. stamps and so forth into a war channel and used the postal service as a link to collect hundreds of tons of rubber in the form of rubber stamps which business houses had discarded.

One of Mr. Murphy's biggest wartime headaches has been to maintain the supply of post office mailbags in light of worldwide shortage of jute and the heavy looms which normally make these bags of cotton. As far back as the early 20's, Mr. Murphy salvaged discarded militia tent material for repairing his mail bags. In this way he struck on the idea of salvaging empty flour, sugar and salt bags from the armed services which are washed, printed and dyed to supplement his normal supplies. He gets his material free, of course, so that the actual cost of replenishing his stock of pre-war bags comes to about 39 cents a piece.

Mr. Murphy celebrated his 40th year of service with the Post Office department this year. His long record of service was honored by the inclusion of his name as one of those to receive the M.B.E. in the King's Birthday Honors list recently.

• • •

Anti Red-taper

It is no small honor for Canada that L. B. "Mike" Pearson should have been chosen to chair the first formal bit of machinery yet set up by the United Nations to implement the terms of the Atlantic Charter. That machinery is the Interim Commission for carrying out the recommendations of the United Nations Conference on Food and Agriculture.

Those who attended the original food conference at Hot Springs, Virginia, last May were agreed that "Mike" was the standout of the meeting. No one at Hot Springs was on such familiar terms with as many of the delegates. Pearson had gone to school in England with Richard Law, chairman of the British delegation. He was on the most intimate terms with the American representatives; knew the South Africans from his contacts at Washington and London, and found old friends and admirers almost everywhere he turned.

When opinions were asked as to what view this or that country held on certain matters, Pearson had a ready and reasonable suggestion to offer. There was no hemming and hawing; no evading of the issue; no referring back to his superiors.

Pearson, with a record of genuine accomplishment at the Ottawa conference as far back as 1932; at London until the first year and a half of war, and at Washington in recent months, has built for himself a reputation as one of the most approachable and capable "diplomats" in the service of any country.

There is hardly a door in Washington that he isn't able to breeze through—and that goes for the White House as well as many a humbler mansion where "Mike" is equally at home.

Chairing the Interim Commission will be only a part-time job for which Hon. Leighton McCarthy will be more than thankful. Mr. McCarthy makes no bones about the amount of responsibility he delegates to this 46-year-old minister's son who topped a brilliant scholastic career at Toronto and Oxford by lecturing in modern history at the University of Toronto.

In 1928 the late Dr. Skelton brought "Mike" Pearson into the diplomatic service. His career since that time has been strewn with a profound contempt for red tape and a record for making friends and influencing people that would make Dale Carnegie green with envy.

The nickname "Mike" came when he was in the RFC in the last war; has always seemed more appropriate than his given name of Lester. After that experience "Mike" holds undisputed authorship of the remark: "We'll win the war if we don't run out of carbon paper."

Now we'll have a chance to show how quickly the first of the projected United Nations conferences can be set up, with the minimum of carbon paper and official beating-around-the-bush.

If he succeeds, it will be a tremendously important precedent for the success of future machinery and for the precedent of having young Canadians brought into the front rank of democratic diplomacy.

• • •

Big-scale Planner

He is one architect, contemporaries say of A. S. Mathers, who sees the job of planning buildings as being tributary to the whole field of construction, and who thinks of construction mainly as a means to Canada's future greatness.

A. S. MATHERS

He is president of the ten-year-old National Construction Council of Canada, a body of related groups in the industry now busily preparing postwar activities for the whole industry on a long-term nationwide scale.

Decidedly one of the most widely known of Canadian construction figures, "Shy" (for Sherlock) Mathers is called by intimates at once a realist and broad-visioned enthusiast, whose service in the cause of unity and progress of that industry not only is unstinting but most effective.

Characteristic, Mathers' friends say, is his often expressed faith that building will emerge transformed by wars and depressions into a powerful force for Canadian economic and social progress.

Despite the fixity of purpose, however, he is, in manner and appearance, not the crusader of the lean and hungry stripe. He is a vivid and rugged dynamo of nervous energy.

The architectural practice of Mathers & Haldenby (a partnership formed in 1922 with Brig. Eric W. Haldenby, now overseas) is one of the largest, and has left the mark of its taste and practical skill on about 500 buildings: Georgian homes, outstanding school, hospital, industrial and commercial structures, landmarks such as the Dunlap Observatory, the Wm. H. Wright (Globe & Mail) building, University Club, University and Upper Canada College structures in the Toronto area.

Born July 16, 1895, in Aberfoyle, Ont., son of the late Rev. Francis Matthew and Adella Elizabeth (Sherlock) Mathers, Alvan Sherlock Mathers attended public and high schools of the district, graduated 1917 a B.A.Sc., University of Toronto—where he still lectures—having worked during summer periods in the office of noted, retired architect John M. Lyle, and having had his offer of enlisting in the first world war rejected on physical grounds.

Mathers entered practice in 1919 in the then firm of Banigan, Mathers & Thompson, moving into partnership with Eden Smith in 1920-21 and forming the present connection with Haldenby only a year later.

His wife is Nesta Prud'homme Verner, daughter of the late Edward W. Verner, Toronto. Two sons, John 13 and Andrew 9, attend Upper Canada College.

An Anglican, Mathers' clubs are University, York Downs Golf, Toronto Hunt. He was elected to the Royal Canadian Academy, 1928 as associate, 1937 as academician; and holds memberships in Delta Upsilon fraternity, Royal Canadian Institute. Fellow and Councillor of the Royal Architectural Institute of Canada, he was 1937-38 president of the Ontario Association of Architects. Mathers is Toronto Art Gallery's representative to the Canadian National Exhibition Association, a founding member and present secretary of the Architectural Conservancy of Ontario, in which body his knowledge of Ontario's colonial period buildings is highly respected.

Mathers is also active on current studies for the Toronto city planning board's advisory technical committee.

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor

Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.

JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
FLOYD S. CHALMERS, Executive Vice-president.
B. G. NEWTON, Vice-president.

Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $6.

Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.

Montreal: Dominion Square Building. Murray R Chipman, Eastern Manager; John E Langdon, Eastern Editor.

Ottawa: 280 Irving Ave. (Tel. 8-0847); Kenneth R. Wilson, Resident Correspondent.

New York: 522 Fifth Ave.

Chicago: 309 West Jackson Blvd.

London, England: Quadrant House, 55 Pall Mall, S.W.1.

Other People's Views . . . .

The Canadian Editorial of the Week

The Truman Committee—and Ours

Montreal Gazette

We are apt sometimes to look down our noses at Government institutions in the United States, to be smugly complacent with our own, and to render thanks that we are not as other men. When we consider the record of our special parliamentary committee on war expenditures and compare it with that of the Special (American) Committee investigating the National Defense Program—the Truman committee—we lose this sense of superiority and, if we are honest, find ourselves humbled.

Reconstituted at the end of a six-month session, the Canadian committee will hold sittings in Ottawa, mostly in camera, and the taxpayer will know little about the progress made or the results achieved. The enquiries will be into past expenditures. There will be nothing like a bold and comprehensive grasp of the operations which these expenditures represent. There will be no prevention of new mistakes.

The American committee has been at work for the better part of three years. It consists of ten members of the Senate, headed by Senator Harry S. Truman. It goes everywhere and investigates everything that bears upon the war effort, and it makes periodical reports which are published by the Government Printing Office. It has enquired into and reported upon shipyards, airplane construction, fuels, steel, rubber, food, housing, labor, manpower and inflation control, and this list is by no means exhaustive. Once the committee probed into the building of a fellow Senator's swimming pool in Kentucky.

This Truman committee is not content, be it noted, to warm Capitol furniture. It gets around. It sends investigators, or groups of its members go, to all parts of the United States to study materials and methods where the materials are being fabricated and the methods used. Its surveys have extended to the west coast, and its findings and recommendations may be read by any taxpayer who wants to see them—just as is not the case in this country. And this Truman committee has saved multi-millions to the people who pay income taxes and other war imposts in the United States.

Five members are leaving on a tour of the war zones, there to examine closely into the supply, distribution and spending of materials and money where the actual fighting is being done. The object is to bring back information which will "result in improvements and efficiency in the administration of activities abroad."

If a contrast was ever odorous this one is—the contrast between the American method and the Canadian. Nine Canadian taxpayers out of ten—the proportion is probably higher—know nothing of what the Ottawa committee on war expenditure does. Even Parliament is obliged to take what the committee gives it. The Truman committee goes all the way from production sources to the final use of war materials in combat operations—the use of those materials by men whose lives depend upon sound materials and honest workmanship. We had better go to Washington and learn how this thing ought to be done.

What The Papers Are Saying . . . .

Judges at 75

Vancouver Province

Hon. Louis St. Laurent, minister of justice, discussing the Canadian judiciary, admitted that some of the judges were too old.

The minister spoke truly, of course. But his statement would come with more force if it were accompanied by a little consistent action. The remedy, if one is needed, lies in the hands of Mr. St. Laurent and his Government.

The Supreme Court Act requires that judges of the Supreme Court of Canada retire at 75, but twice within the past four years, special legislation has been passed to set aside this proviso with respect to the chief justice.

The Judges Act retires county court judges, the hardest worked, most poorly paid members of the judiciary at 75. But there is no law setting the age at which the judges of the provincial high courts must withdraw from service. If they become incompetent, they may be removed. But they never are.

There is no proper reason, of course, why a member of the provincial high court should remain on the bench past the age set for retirement of county court judges and judges of the Supreme Court of Canada. But there is a constitutional reason. It is held that for the Parliament of Canada to legislate provincial judges into retirement would be an interference with provincial rights.

The contention is a quibble. The problem could be solved by an agreement with the provinces or by a constitutional amendment.

An Orchid for Graydon

Montreal Gazette

Now that Parliament has shut up shop until January, it seems a good moment to note the excellent job done during the past six months by Gordon Graydon, Leader of the Opposition in his capacity as House Leader of the Progressive Conservative Party.

If ever a man stepped into a thankless job, it was Graydon Jan. 29 last. The real leader of his party had been named only six weeks before, and both Graydon and the country were acutely conscious of his "acting" quality, which would have turned a lesser man into a mere Charlie McCarthy. Even his selection as House Leader had been somewhat of a compromise—Graydon was rumored to have been "unanimously" chosen to break a deadlock between John Diefenbaker and Howard Green. Moreover, Graydon's predecessor, Hon. R. B. Hanson, was still in the House.

In the face of these manifold difficulties, Opposition Leader Graydon gave an admirable performance. His industry has been an astonishment to his friends. He has greatly increased in stature during six difficult, strenuous months.

• • •

Can Set Their Own Style

Edmonton Journal

An American correspondent claims to have discovered deep in Africa some Englishmen who still dress for dinner. Well, if they wish to add a stiff shirt front to a stiff upper lip, who shall criticize? They have surely earned the right to dress for dinner as they please.

Holder of the Mortgage

Ottawa Journal

Senator Haig of Winnipeg the other day threw a different sort of light on the subject of farm mortgages.

The old conception of the mortgage-holder as a cold-blooded corporation, a mortgage company or an insurance company, determined to squeeze the last possible nickel from the unfortunate western farmer is not the accurate picture, according to Senator Haig. "The trouble really started," he said, not with mortgage companies and the life insurance companies,

"but with farmers who sold their farms to other farmers and retired to local villages. They insisted that if they did not get their payments they would foreclose. And they could foreclose, because if necessary they could go back to the land themselves. No mortgage company can foreclose, generally speaking . . . if things are so bad that a farmer cannot make his farm pay, who else can make it pay?"

So, according to this point of view, when farmers are given protection against mortgage-holders it is protection, very often, against other farmers.

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The Mail-box . .

I have carefully examined the report of the Automotive Transport Association which appeared in your recent issue. As auditor of a group of transports, I found the report most interesting.

The automotive industry is, without doubt, a most essential industry but if it is to continue to operate in an efficient manner the recommendations of the ATA should be put into effect. Steps should also be taken to provide quicker and better repair service. In some cases trucks are out of service for some time due to the shortage of some small part.

The manpower situation is resulting in a very heavy increase in repairs. Less experienced men are being placed on the staff of transport. It is not in the best interests of the industry to place such men behind the wheels of units valued up to $8,000, and which cannot be replaced if wrecked. Such trucks may contain goods possibly already in short supply.

Due to present costs it is impossible to build up reserves to enable operators to purchase new equipment when it again becomes available. In this way present burdens of high costs will be carried over into future years through the high cost of financing new equipment.

Toronto. W. CLARK.

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Stop Me If . . .

"Mama, didn't you say that Baby has got your eyes and Daddy's nose?"

"Why yes, dear."

"Well, you'd better keep an eye on him; he's got Grandpa's teeth now."

Metals in Postwar World

Light Metals Gain Prominence

Wartime Developments Suggest Altered Competitive Positions

Public attention is directed to the war-expanded production of aluminum and magnesium, and to the wide advances made in the use and development of metal alloys of all kinds. The prospect is for a post-war world in which the beauty, utility and variety of material goods will be greatly increased. The use of all these new materials will be determined largely by the hard fact of prices, plus their physical and chemical characteristics. Despite some possible competition from lighter metals, common non-ferrous metals such as copper, nickel, lead and zinc, appear likely to retain an important position in our economy due to their unique qualities.

The war has brought into new prominence and importance the fact that the base metals of long standing—copper, lead and zinc—have now become only one group, of a considerable number of alternative materials for construction and fabricating purposes in every field of industry.

Besides bringing to light a host of new uses for such materials as magnesium and aluminum, war has resulted in the development of new production methods and new alloys.

Faced with an insatiable demand for all available materials and an unusual price situation, with the further complication of Government financing several expansions of plant capacity, it is difficult to make any predictions as to what costs will be in the post-war period. It is this question of cost, however, that will be an important factor determining the future character of demand for the new metals, and also for the new plastics, as well as for the older metals.

The Light Metals

Outstanding among the metals that have come into increased prominence with the coming of war are magnesium and aluminum. Even apart from any new uses which may have been found for these materials, the demands of the war have so expanded production facilities, both in Canada and the United States, that each country will, after the war, be in possession of a plant capacity which in peacetime would have been developed at a much slower rate and in closer relationship to probable long-term markets.

The capital expenditure is now made and the failure to use these plants would be costly. As is the case with the new power plant and aluminum capacity owned by Aluminum Co. of Canada, many wartime projects are being depreciated at rapid rates, but whether this is done or not, the plant is there and there will be a strong incentive to produce this metal, even at lower prices, so long as current operating costs are covered.

Already the war has seen a very substantial reduction in the cost of aluminum which now sells for about 15 cents a pound. Since aluminum is about three times the volume of copper pound for pound and copper sold during the thirties as low as 6.4 cents a pound and is still quoted at only 10.1 cents, it appears aluminum is in a position to compete with copper in any uses for which aluminum is suitable and perhaps to be demanded even in uses where it has slightly less desirable qualities. The potentialities of aluminum were widely known and recognized before the war, of course, and it had taken an important place in many uses, notably in electrical transmission lines, in competition with copper. At that time the price of aluminum usually ran about twice the price of copper—today (in Canada) it is about 1½ times the price of copper, and might drop even farther.

But, it is fully realized that there are many uses for which aluminum and its running mate magnesium cannot substitute and which will possibly be retained 100% by the non-ferrous metal at present being used.

In the field of zinc and brass products, aluminum is possibly approaching a competitive price position. The price of zinc, although at times during the thirties falling below 3 cents a pound, has tended to run at between 5 and 7 cents. On the basis of a pound of aluminum being twice volume of a pound of zinc, metal authorities suggest that aluminum will be an active competitor at a price of between 10 and 15 cents.

By far the largest use of zinc is in galvanizing, where a major part of the cost is for iron or steel, still said to be the least expensive and most adaptable of the metals.

Volume as Standard

Volume comparisons are frequently taken by metal experts as a convenient, standardized method which has value. It is not claimed that volume is the only standard of comparison as it may often be outweighed by other special characteristics. One metal, for instance, may be a better electrical conductor than another and for uses where this is a vital factor, this may outweigh any weight or volume characteristics.. But as a non-varying measure of comparison and also because it has direct relationship to certain other factors, such as strength or weight-bearing ability, volume and price relationship may be accepted as a ready means of making competitive comparisons.

The problem of die-casting aluminum has been solved to the extent that die-casting is now done efficiently but it appears that the metal is very hard on the dies, which are a major item of expenditure. Zinc, of course, lends itself very well to this type of manufacture, and die casting of brass and other copper alloys has also been developed.

While it is true that the various metals will inevitably compete with each other for available markets, it is also true that they are to a very large extent complementary. Copper and zinc, aluminum and copper, aluminum and zinc and many combinations of these and other metals, each have their special uses. The direct losses of markets that are suffered by a metal may be made up by new markets as an alloy.

What About Magnesium

No estimate of the future can be made without taking into account the possibilities of magnesium, lighter still than aluminum and possessing the greatest strength of all the metals in relation to its weight. While its production is still small compared with that of aluminum, it is already of considerable importance and is now being sold at 20 to 21 cents a pound, United States prices.

Its combination of strength and light weight make it ideal for many uses, particularly alloyed with aluminum, with either metal acting as base according to the use to which it is put.

Ores Are Abundant

The most interesting aspect of the production of aluminum and magnesium is the abundance of their ores. The other base metals may experience increasing costs due to the exhaustion of the more productive ore bodies and this will become increasingly so in the absence of new and spectacular discoveries.

Lead markets may be threatened by the inroads of the lighter metals, although in large sections of its market, such as for storage batteries, paint and tetraethyl lead, it is the chemical properties of the metal that make it desirable. In the making of ammunition, typesetting and other occupations, its softness, the ease of melting it, and its cheapness (approximating the price of zinc) have left it a fairly clear field.

Nickel Uses Extended

The production of refined nickel in Canada rose from 64,500 tons in 1939 to 93,300 tons in 1942, according to figures given by Munitions Minister Howe. This metal, of which Canada is far and away the largest producer, having what almost amounts to a monopoly position in the world market, is one of the most valuable of our base metals. Its special properties of heat and corrosion resistance and its attractive appearance have greatly increased its use in alloys both of steel and of other base metals including aluminum. The war has enlarged knowledge in the use of this metal and its essentiality in a large variety of both war and peacetime uses has been fully recognized. The price of nickel has for some years been 35 cents U. S. a pound.

Canada is making a bid for participation in the future of the iron and steel industry. Most outstanding of recent developments in Canada is the Steep Rock project, which some think may mark the beginning of Canada's emergence as a supplier of high grade iron ore.

The drainage and diversion project which is necessary before the ore can be obtained from the lake bottom in which it lies is scheduled to be finished next summer. Ore production from the mine is scheduled at two million tons annually. This will make Canada a sizeable producer in all the basic metals, a dominant producer of nickel, and an aluminum producer with a productive capacity greater than that of all occupied Europe.

Canada's place in the field of aluminum will be further enhanced if there is any large measure of truth in the fears of some Americans that with full peacetime power consumption much U. S. aluminum producing plant may be unable to obtain sufficient power, due to the lack of any major unused power potential in the districts concerned.

The staggering increases in aluminum capacity since the beginning of the war (82,800 to 503,000 short tons in Canada alone) have highlighted the possibilities for the use of this metal in the postwar world, particularly in the field of transportation. While it is probably true that increases in consumption over pre-war standards will take place in these fields, especially that of aircraft, it has only been in the production of military planes that aluminum has, up to now, been used in important quantities. For light commercial type planes, the use of aluminum has been small. In the same way it is possible that consumer tastes will not favor the manufacture of cars made from the light metals, but will demand the weight and solidity that the steel car provides.

Aluminum, however, at 10 cents a pound, or even at the present price of 15 cents, will be in a position to compete even with steel for structural purposes, some authorities consider. With the productive capacity now available there seems little doubt that in the absence of sufficient demand to absorb a large part of the capacity output at present prices, the price of the metal is more likely to go down than up.

The Week in Business

	June	May	Apr.	Mar.	Year Ago
•Financial Post Production Index	254.8	256.8	257.3	252.4	211.8
National income D.B.S. (c)	....	§752	§737	§725	....
Dom. war expend. (million-$) ...	256.3	272.2	136.9	....	214.3
Dom. total revenue (do.)	198.8	205.1	177.8	....	115.5
Dom. total expend. (do.)	322.0	325.0	169.5	....	422.9
Dept. store sales index no.	130.6	138.6	153.4	164.3	134.1
Retail sales index no.	....	154.5	163.2	167.8	149.0
Wholesale sales index no.	....	163.3	163.8	173.4	158.7
•Country store (% change pr. yr.)	+14.9	+13.8	+14.5	+13.0	+14.6
Divd. payment index‡	123.5	122.7	122.0	122.1	121.8
Bank deposits (1935-39=100)	....	171.0	163.0	151.7	167.6
•Cash and cheque pay. index	171.3	215.7	162.3	161.9	148.8
•Bank debits (1935-39=100)	147.5	183.0	156.6	158.7	127.7
•Money supply (c)	4,883	4,727	4,536	4,244	3,675
NEWSPRINT % OF CAPACITY—					
Production ratio	69.6	68.6	62.0	64.2	65.6
Shipment ratio	73.7	69.6	65.9	64.6	68.4
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	214.5	190.8	201.6	202.3	188.1
Cars (D.B.S. index)	147.0	142.5	144.1	143.7	141.4
COST OF LIVING—					
D.B.S. index	118.5	118.1	117.6	117.2	116.7
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	178.2	180.6	181.5	167.4
Manufacturing	....	222.9	224.3	223.4	202.3
Payrolls (June 1/41=100) (b) ...	....	139.8	144.3	143.2	123.8
Payroll index (a) (1937=100) ...	....	223	224	229	197

RAILWAYS—	1943	1942	1943 Jan 1 to date	1942 Jan 1 to date	Change %
•Carloadings (week July 24)	66,841	66,540	1,894,574	1,897,885	—0.1
•C.P.R. gross (week July 21) $	6,224,000	5,002,000	154,123,000	135,700,000	+13.6
C.N.R. gross rev. .. (June) $	39,260,000	31,789,000	210,484,000	169,415,000	+24.3
C.N.R. net rev. .... (June) $	9,368,000	7,946,000	44,935,000	38,019,000	+18.2
•C.P.R. gross rev. .. (June) $	24,698,217	21,244,666	136,231,531	121,033,092	+12.5
•C.P.R. net rev. .... (June) $	4,421,437	4,174,365	21,203,162	21,948,083	—3.4
IRON AND STEEL—(June)—					
•Pig iron production (tons)	147,889	167,961	867,789	974,000	—10.9
•Steel production ... (tons)	239,501	254,163	1,499,153	1,559,238	—3.9
CONSTRUCTION—					
•Contracts awarded (July) $	16,166,900	32,093,400	118,293,700	167,040,600	—29.2
•Building permits .. (June) $	7,895,250	12,934,835	35,076,195	51,301,293	—31.6
•Cement prod., bbls (May)	705,544	789,828	2,174,353	2,392,443	—9.2
AGRICULTURE—					
Flour prod., bbls. . (May)	2,099,996	1,481,449	10,304,154	8,390,031	+22.8
Cattle sales▲ .... (June)	92,115	92,559	494,245	524,829	—5.7
Hog sales▲ .... (June)	485,655	425,530	3,183,279	3,147,709	+1.1
SEA FISHERIES—‡					
Catch cwts. ...... (May)	1,200,586	1,047,632	2,615,824	3,425,206	—23.6
Landed value ..... (May)	4,793,194	2,841,892	9,105,116	6,735,870	+35.1
NEWSPRINT—					
Production, tons ... (June)	257,845	242,762	1,443,670	1,658,174	—12.9
Exports, tons ...... (June)	252,833	236,611	1,360,992	1,520,287	—10.4
MINING AND OILS—					
Coal prod., tons ... (May)	1,300,619	1,316,862	7,507,111	8,082,257	—7.1
Gold rec. (fine oz.) .. (June)	298,416	398,695	1,917,911	2,370,188	—19.1
•Petroleum prod., brl. (May)	872,812	892,034	4,211,751	4,383,292	—3.9
ELECTRIC POWER OUTPUT—(June)—					
•Total monthly 1,000 kw.h.'s	3,355,032	3,043,200	19,624,395	18,612,384	+5.4
OTHER INDUSTRIAL FACTORS—					
Shoes, prod., pr. .... (May)	3,018,911	2,816,452	14,571,910	13,602,147	+7.1
Cotton consump., lb. (June)	15,175,814	14,970,262	95,515,019	99,626,902	—4.1
Cigarette cons., No.† (June)	775,261	787,409	5,541,283	4,635,621	+19.5
FINANCE—					
•Bank debits† ...... (June) $	4,349,608	3,767,042	25,467,387	21,591,707	+18.0
Bond sales† .... (June) $	392,922	298,653	3,409,431	2,021,668	+68.6
•Life insurance sales (June) $	52,475,000	43,898,000	280,875,000	238,780,000	+17.7

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. ▲Total at yards and plants. †000 omitted. •Millions of dollars. ‡Supplied by Nesbitt, Thomson & Co. •1935-39=100. (c) 000,000's omitted. (a) Compiled by Canadian Bank of Commerce. (b) All industries. §Estimated.

Limitations on Airpower Use May Offset Numbers

Cy. Caldwell Argues That Use of Unlimited Airpower Requires Fuel, Fields, Ground Crews, Perhaps Not Available Readily

AIR POWER AND TOTAL WAR, by Cy. Caldwell. Published by Longmans Green & Co. Price $3.

Up to now most writers on the role of air power in modern war have divided sharply into two camps—for or against air power. One of Mr. Caldwell's principal contributions to the discussion is that he belongs to neither school.

A contributor of long standing to aviation periodicals, Mr. Coldwell is in this book confessing his conversion from airpower extension.

The role of air power, thinks Mr. Caldwell, has many limitations that tend to be overlooked at the moment. Even granted that planes can be manufactured in unlimited quantities, that does not necessarily mean that they can be used in unlimited quantities, he points out, since military usefulness is dependent not only on trained pilots, but also on a huge ground force, fuel which may or may not be available, and sufficient airports. Another point, which he thinks should deter the nations of the world from accepting the air power theory too completely, is that a minor technical change might render whole air fleets obsolete.

To support his theory, Mr. Caldwell has marshalled the writings of air and military theorists from General Douhet down, and has ably described and analyzed many experiences in air warfare in all the major campaigns of the present war.

Political Essay

Somewhat less ably he has tried to explain the political and psychological background which underlay the military strategy of the conflicting powers.

Some of the most interesting and provocative statements in the book occur when Mr. Caldwell ventures outside of the strictly aviation field. For example:

"The English seem to realize, in a general way, that it might be well to be prepared for war. But as they have never yet been ready, and have always won in the end, except when they fought those misguided Colonials in America—and they were mostly English—they feel that there must be something basically correct in not being ready, even if they can't put their finger on it. Therefore, as defeats pile up, political and military, they will remark quite cheerfully that this is always the way it has been, so there is no need to worry. If you ask them why they haven't made more preparations for war, they probably would state, 'Because that is not the way to make war.'"

Comments of that nature are liberally larded throughout Mr. Caldwell's book, and while they can neither be regarded as particularly original, nor particularly profound, they are at least challenging and show that the author is making a genuine effort to go behind the mechanics of warfare and deal with some of the philosophical problems that are so often left in the background.

Pessimist or Realist?

Undoubtedly, the major contribution of the book is his objective analysis of the role of air power and his clash with the more ardent proponents of war on wings. But in his final chapter Mr. Caldwell takes a glance at the future that some readers will characterize as realistic, others as pessimistic.

The desire for world peace he labels as "wistful hopes" and points out that in the course of some 3,500 years of recorded history there have been less than 250 years of world peace. War, he says, is not only the mad and lustful bid for power by outlaw states, but is the inevitable outcome of the growth of society which can never be uniform but varies with differing conditions of climate, land, resources, race, tradition, trade interests, cultural developments and religion. He points out:

"The present world war, while basically no different in its origin from all the wars of history, presents two outstanding aspects: the reversion to a policy of extermination of subjugated peoples, thus taking the world back to the days of barbarism and savagery; and the use of the airplane, which has brought war to all non-combatants within its range of operations."

Whether or not this view is too gloomy, his warning that the factors that lead to war are still with us is a worth-while caution and preventive of excessive confidence. Finally he points out:

"The airmen, with their dire predictions of what air power would accomplish in this war, may have been one war ahead in their reckoning. But, looking into the future, they see that the airplane, both the commercial transport and the bomber, will be able to fly to any point on the globe where commercial need or military authority dictate. There is air everywhere and where air is, airplanes may travel with no previous announcement of their coming."

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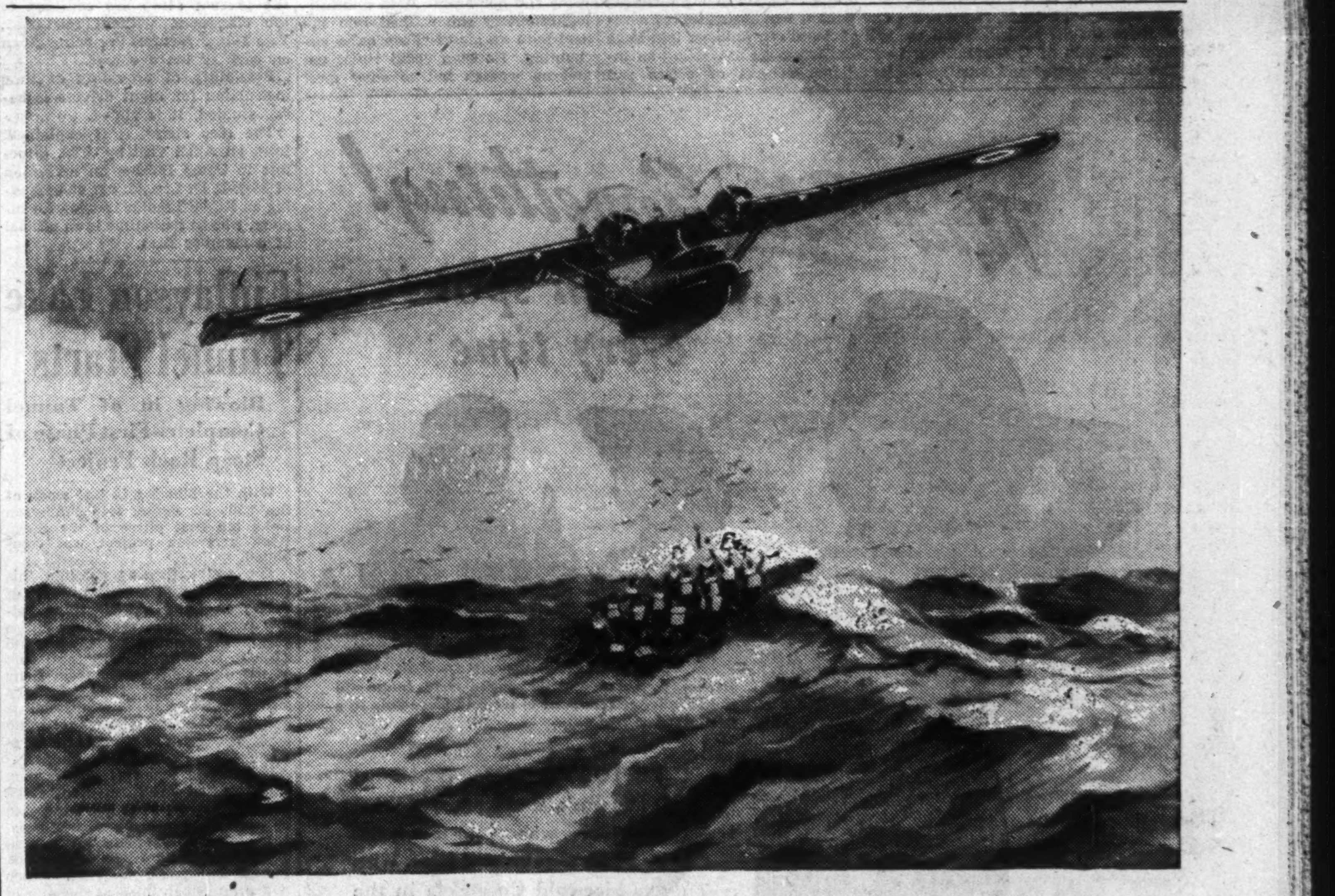

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LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON. — The Gallup Poll, featured by the London News Chronicle, is regarded by the thinking people over here as being at least as mischievous as it is informative.

A poll was taken here on the question "What nation has contributed most to the winning of the war?" The man who thought that up ought to be medically certified. With a sturdy sense of fairness the British public, or that portion of it which was surveyed, voted 50% for Russia. Of the remainder some 42% admitted quite modestly but firmly that the British Empire had done the most.

But here's the rub. Only 3% gave the chief credit to America. Any child of 12 years of age could have forecast some such result. It is not that the British are ungrateful to America or unaware of her immense and vital contribution. But obviously the highest rating would be given to the nations which had done the most fighting and spilled the most blood.

Naturally the findings of the Gallup Poll here were cabled to America. A similar poll was then held in the U. S. A. Only 9% of the surveyed section of American public opinion gave first place to Britain. In the circumstances the wonder is that the percentage was so high.

Actually 55% of the Americans voted America as the chief contributor to victory. Russia was supported to the extent of 32%.

This business followed an article by the News Chronicle on the bad behavior of certain American troops over here. So now Beaverbrook has trained the guns of his Daily Express on the offending journal. I predict a bloody war in Fleet Street.

* * *

Conservatives or Contraceptives

There is nothing particularly funny about the falling birthrate in the democracies, but when the subject was debated recently in the House of Commons there was an incident which doubled up the whole House with laughter.

Sir Francis Freemantle, a most earnest Tory, was urging the need for larger families. He reminded the House that Sir Walter Scott was a ninth child, Samuel Taylor Coleridge a tenth, John Wesley a fifteenth and Charles Wesley a sixteenth. If the Duke of Marlborough had not had a large family the father of Winston Churchill would not have been born.

Then, coming to the real burden of his argument, he said, "I propose that there should be legislation to control the sale of Conservatives."

The House gasped and then roared. With mock dignity the Deputy-speaker rose.

"I think," he said, "that that would be too definite."

Poor Freemantle raised his hands helplessly. "I meant, of course, the sale of contraceptives. I withdraw any reflection I may have made on any one political party."

It was several moments before the House got back to the seriousness of a most useful and instructive debate.

* * *

Lord Mayor's Banquet

The Lord Mayor of London was giving a banquet to His Majesty's Judges at the Mansion House. All the rich old golden plate and golden goblets were adorning the table. It was a swell affair and the company included the great, the fortunate, the famous and the good, from the Lord Chancellor down.

It also included Harry Minchin. Young Mr. Minchin is a Canadian, a stoker in the Royal Canadian Navy. He happened to be strolling around the Guildhall to see the sights. Someone introduced him to the Lord Mayor who asked him to be his guest at the banquet.

Sir Samuel Joseph, the Lord Mayor, is a Jew, a patriot and a man of good heart. I hope Stoker Minchin had an interesting time even if the tables did not exactly groan with the weight of food.

* * *

P. M. is Tired

About the same time a luncheon was given to the Prime Minister by the Tory Party. It was a private affair and, therefore, I do not propose to say anything about his speech. But he looked tired. He has such abundant vitality that one does not expect him to be subject to human limitations. But his mind was as colorful and majestic as ever.

The chairman on this occasion was more tactful than a certain elderly peer who presided over a complimentary dinner many years ago to Winston Churchill on his rejoining the Tory Party. You will remember that Churchill started his political career as a Tory, then joined the Liberals and finally became a Tory again.

"I have been a Conservative longer than our guest of honor," said the peer in proposing the toast of the evening, "but not so often."

* * *

Big Business Wicked?

The Upper House had quite a lively time while they were debating the wickedness of big business. The debate was instituted as a result of American findings that huge corporations were exercising an international control of prices and restraint of trade. The mighty Imperial Chemicals Corp. of Britain was mentioned unfavorably.

The chairman of the I. C. C. is vigorous, cheery Lord McGowan, known by everyone as Harry McGowan. He started as a barefoot boy in Scotland and, although he has lived in London for 40 years, he has retained a rich Scottish accent almost unequalled even in the Highlands.

As "Harry" had never before spoken in the House of Lords he decided, with the acumen of the super-industrialist, to get through a lot of things at once. Therefore, he first made his maiden speech which was on the harmless subject of scientific development of coal. Having done that, he sat down and waited until the second debate concerning big business began.

Lord Strabolgi, the Socialist peer, made the case for public opinion. Then up got Lord "Harry" and made the case for Imperial Chemicals. Then up got the Lord Chancellor and made the case not only for Harry McGowan and the I. C. C. but for British industry generally.

The Lords cheered—if you know what I mean. That is, they distinctly said, "Yah, Yah," which is English for "Hear, Hear," and is always reported in Hansard as "Cheers."

So the I. C. C. emerged without a stain on its escutcheon. In fact, it almost acquired a halo. As for Lord McGowan he went out surrounded by his friends while his Scottish burr was richer than that of any Scottish golfing professional.

* * *

A New Star

London has discovered a young actress who promises to rise to great heights. Her name is Sonia Dresdel although she comes from Hull. For the past two or three years she has been playing with the Old Vic Company and was therefore unknown to the West End public. A few months ago she played the lead in a revival of Ibsen's "Hedda Gabler" and was superb but the public was not in the mood for Ibsen. Then Michael Redgrave, the star of "A Month in the Country," at St. James's Theatre, decided to put on four matinees of that famous old play "La Parisienne." He did it really to amuse himself and engaged Miss Dresdel for the part which Rejane made famous forty years ago.

Miss Dresdel acts with her eyes, her hands, her feet, her nose, her voice and her brain. With unblushing effontery she walked into the part with an air of "I am quite enchanting. No man could resist me and no woman fail to envy me."

War-recruited Truck Drivers Get Seasoning

Highway Transport May Expand Course as Manpower Answer

Wartime recruits to the trucking industry are learning "driver-mechanics," including loading and safety wrinkles, in a pilot course at Toronto's Central Technical School.

Ages of enrollees in the small test class range from 23 up to 45 and, to a man, they have indicated aptitude and keen interest, according to instructor Robert Greenwood of the school staff.

Calling for payment by employers of regular hourly wages, the experiment is sponsored by the Automotive Transport Association of Ontario.

Expansion to eight or ten other cities of the province may be undertaken in the fall but plans for such enlargement have not progressed beyond the tentative stage, according to ATA officials.

Object

If the province-wide proposal is implemented, possibly up to 500 will take an improvement course adapted from the one now under test in Toronto.

In sponsoring the test course and studying its possible expansion, the industry, according to ATA Vice-president Donald Parke and general manager J. O. Goodman, has the multiple objective of maintaining efficiency of its vital wartime service to industry, of conserving equipment and materials in short supply, and of promoting highway safety, all of these in the face of increasing employment of relatively inexperienced drivers. The industry has lost 65% of its personnel to the armed forces and war industry.

For possible postwar application, some such instructional course has been suggested as a condition of hiring.

ATA's test course embraces substantial departure from methods heretofore employed in the technical schools or in those conducted during wartime by motor vehicles manufacturers and the Canadian army, it is stated by the proponents.

Slated for the driver who, while no novice, is yet comparatively inexperienced in mechanics and in loading and driving refinements, the new course aims to teach him the causes of simple mechanical failure and the elements of on-the-road repairs, as well as major points of economical and safe driving for the heavy vehicles.

Instruction and examinations in the present setup are confined to the classroom, without road test. Two 1-hour lectures are being given on each of ten evenings.

Possibility of providing daytime instruction for night drivers is being studied, it is stated.

The idea stems, it is explained, from an April visit by ATA directors to Camp Borden on invitation of Maj. E. G. Lee, officer commanding an RCASC motor transport company, who in peacetime is an official of a member firm.

Finlayson Lake Tunnel Starts

Blowing in of Tunnel Completes First Phase of Steep Rock Project

With the blowing in last week of the 1,300 ft. tunnel into Finlayson Lake the first phase of the Steep Rock diversion project was completed.

The water flowing through this 12-ft. tunnel will lower the level of Finlayson Lake sufficiently to allow completion of the Esker cut, a permanent channel 200 ft. wide and 2,000 ft. long, which will form part of the diversion system from Long Lac, by-passing Steep Rock Lake and diverting the flow through a system of man-made channels, and lakes of which Finlayson is the largest.

It is hoped that this project may be completed and Steep Rock Lake pumped dry in time for mining to be started some time next fall. Present plans contemplate an annual output of 2 million tons of iron ore. Pumps are being installed which will drain Steep Rock at the rate of 300,000 gallons a minute, and the Hydro-Electric is extending a line up to the mine to ensure adequate power supply.

Financing has been made available by the U. S. and Dominion governments and by private investors to the sum of $8.7 millions if that amount should be needed, and contracts completed which ensure a market for at least 10 million tons of ore at a rate of not less than 500,000 tons a year.

Drilling Begins Soon On Okalta No. 1 Well

The rigging up of rotary equipment has been completed at the Okalta-Morley No. 1 well by Okalta Oils, and drilling will commence as soon as fuel has been hauled to the well-site, which is expected in a few days.

Drilling of the well was started in 1928 but was suspended at a depth of 1,490 ft. The Madison lime objective is looked for around 3,000 ft.

In the central west flank of Turner Valley locations have been staked for four Okalta wells, in township 19, range 2 and 3 west 5th meridian. Okalta Oils No. 12 has derrick up, boilers rigged and will have draw-works in within a few days. No. 13 has cellar and foundations complete. These two wells will be drilled with Okalta Oils' rotary rigs.

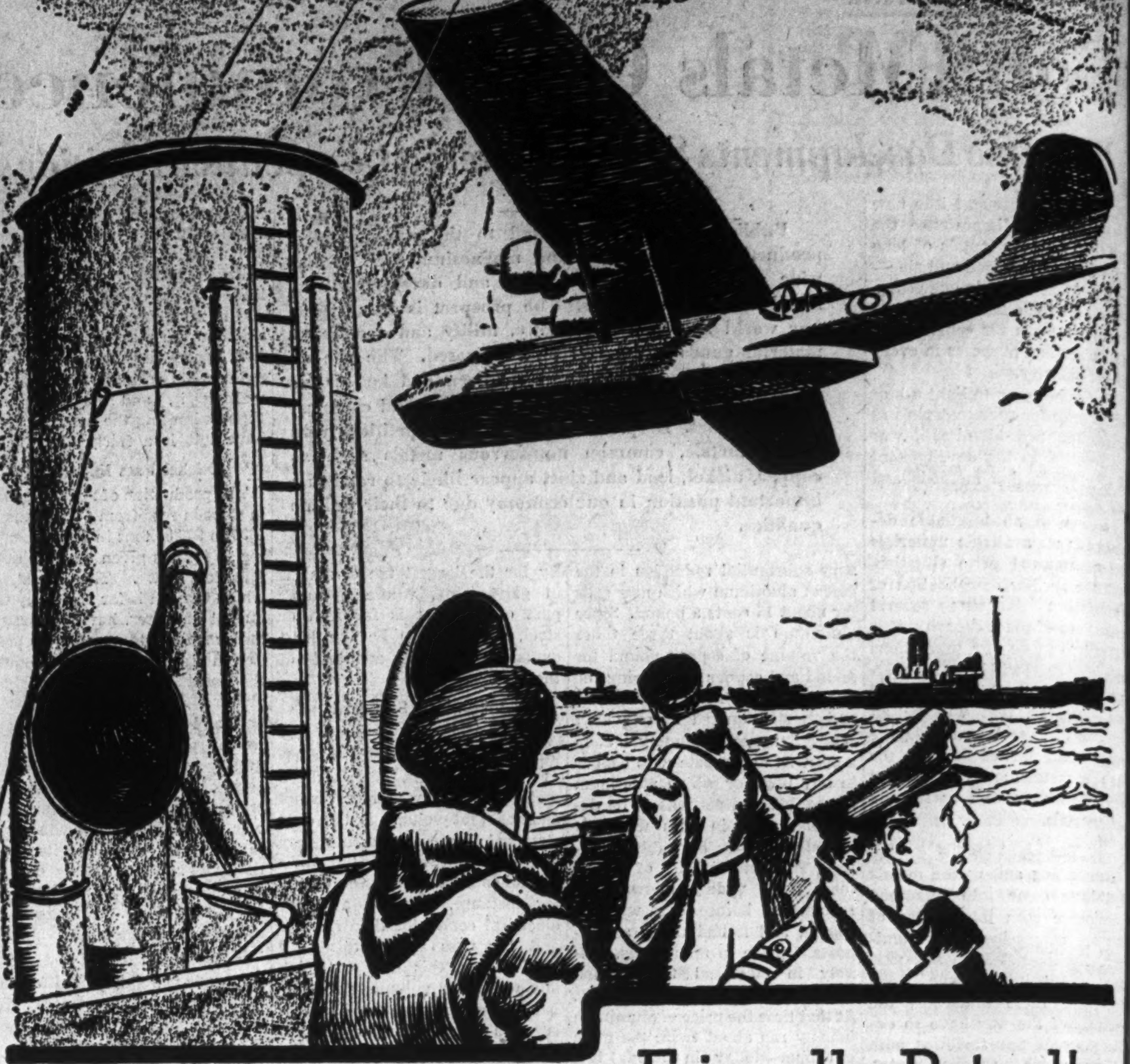
Nos. 14 and 15 will be drilled, it is understood, by National Drilling Co. rotary and Commonwealth Drilling Co. rotary respectively.

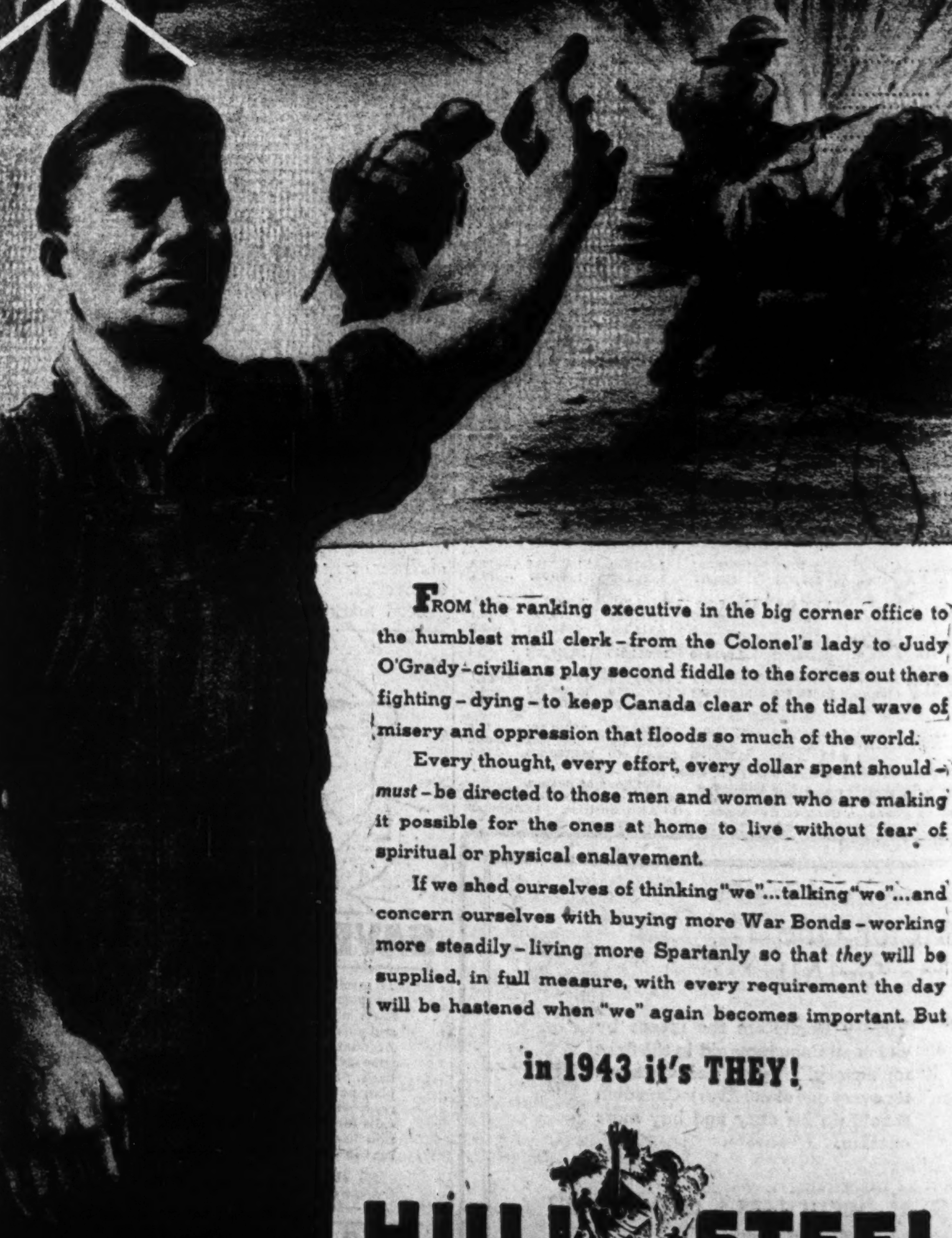
Toronto-Buffalo Air Line Traffic Highest

Records of traffic flow of American Airlines for the first six months of 1943 show that the greatest percentage increase in air express was on the Toronto-Buffalo route, with that of the Chicago-Fort Worth following a close second.

Impressive increases were also gained on the Chicago-Washington, Chicago-New York, Cleveland-Nashville and the Dallas-Los Angeles end of the Southern Transcontinental route. The new line to Mexico City, opened last September, has shown a spectacular rise with a steady monthly increase currently.

Total poundage carried by the airlines increased 105.6% over the first six months of 1942. Planes are operating at the rate of 11.21 hours per day, compared with approximately 8 hours before the war.





Postwar Planning

For Full Employment After the War

Outstanding Brief Gives Pattern for Postwar Program

Unshackling of private enterprise to take over the main responsibility for full employment after the war, general overhaul of tariff and tax revenue structures, and a definite policy of government aid in public works, housing, etc. during depressions are among the major recommendations submitted in a brief of the Canadian Chamber of Commerce to the Joint Parliamentary Committee on Postwar Reconstruction at Ottawa.

In submitting its proposals the Chamber stressed emphatically that it did not wish to revert to pre-war days. "We must repeat, that it is not any part of our desire to restore pre-war conditions. We look for the creation of better conditions for all the men and women of this country."

The brief envisages better postwar living standards based on:

1. Maximum employment.
2. Rehousing and slum removal.
3. Modern standards of nutrition.
4. Wider educational opportunities, and
5. A consolidated national system of contributory social insurance covering unemployment, health and old age.

The drafting of a social insurance plan, it suggests, should be commenced at once, though definite commitments cannot be safely made until there is some knowledge of the conditions in which they will operate.

The view taken by the Chamber is that responsibility for postwar burdens cannot be thrown entirely on the State, but must be shared by the State and individual enterprise working together. The Chamber believes that on long term the main burden of providing against want rests with private enterprise. It therefore advocates for private enterprise a large restoration of freedom, and the removal of doubt as to the restrictions it may face in returning to the production of peacetime needs.

Government Aid

During the retooling period immediately after the war, the brief declares that private industry cannot be expected to provide sufficient jobs to maintain full employment, and it suggests that:

1. The Government now prepare a program of public works, such as bridges, highways and public buildings, to meet the emergency.

2. Appropriate government measures be taken to stimulate the rehousing of the nation by private construction, as was done in England on an immense scale after 1932.

3. A government program of soil and waterpower conservation to be launched at this period.

For the recreation of world markets, which is vital to Canada, and particularly the prairie provinces, bold and far-reaching international policies will be required at the peace-table; and this, suggests the brief, is obviously a responsibility of government. But, assuming export markets are restored then the Chamber contends the prevention of mass unemployment after the retooling period should be considered to be largely an industrial problem;

In Time of Depressions

Depressions, the brief argues, focus on the industries producing durable and capital goods. They are the first to feel a decline in business, and government efforts to compensate for their contraction by public spending have always proved expensive and inadequate. The Chamber suggests the following approach:

1. That instead of retrenchment in government expenditure when a depression threatens, there should be a deliberate policy of temporary budget deficits, to be liquidated after recovery.

2. That industry be encouraged to invest in new capital equipment at such times by allowing special rates of depreciation against taxes, and even allowing new capital expenditures to be charged off against income in times of actual depression.

The direct loss in revenue resulting from the latter policy, it is felt, would be more than offset by the quickening of economic activity, and the consequent saving in relief and improvement in revenue from other sources.

In the opinion of the Canadian Chamber of Commerce these are the major planks in a program for full postwar employment and development:

1.—Restoration of world markets.

2.—Unshackling private industry to take over main responsibility for full employment.

3.—Definite policy of government "deficit" spending on housing, public works, etc., when depression threatens.

4.—National system of social insurance.

5.—Complete overhaul of tariff and tax structures.

6.—More agricultural research.

Wartime restrictions aimed at preventing the production of civilian goods, while necessary during the existing crisis, should, it is urged, be removed as soon as possible after hostilities cease, in order to provide employment for between one and two million demobilized veterans and munition workers who will then require jobs.

The vital position of agriculture in the national economy is emphasized, and it is pointed out that unless farm prices can be maintained on a proper level with those of manufactured goods, the distress of the farmer is certain to be shared by industry and industrial workers.

Since most agricultural prices are determined by world conditions it is recognized that adequate export markets are the essential requirement. While the provision of better nutrition standards, the expanding use of synthetics and the demand for vegetable oils promise added domestic outlets for the farmer, external markets, it is felt, are still the core of his problem; and they will depend on a constructive peace and successful implementation of the Atlantic Charter.

Agriculture and Settlement

Within the sphere of Canadian action, the brief proposes a three-fold program of soil conservation, research and technical education to raise the standard of agricultural practise.

The brief welcomes the measures enacted for settlement of returning veterans on the land, but suggests that any scheme of land settlement for civilians or immigrants should be deferred until the outlook is clearer.

The legislation effective in some parts of Canada which establishes priorities ahead of first mortgage securities is viewed as likely to discourage farm mortgage loans in the future and thus narrow the sources of capital for agricultural development.

Stating that the interests of labor and management in maximum production are mutual, the Chamber urges closer collaboration between the two, with a due regard to the consumer's interests.

Export Markets

With regard to the restoration of export markets, the hope is expressed that Canada, as one of the great trading nations and perhaps the greatest source of foodstuffs for the relief of war victims, will play her part in securing the reasonable economic world order envisaged by the Atlantic Charter.

Postwar fiscal policy should, the Chamber believes, be guided by the principles laid down in the Charter. In this connection it assumes:—

1. That Canada's main objective will be adequate export outlets.

2. That the Canadian tariff will be examined anew, and revised.

3. That such revision will not be so abrupt as to create distress for local communities which have been mainly dependent on protected industries.

4. That we shall seek additional export markets for industries that have been expanded to meet the requirements of war.

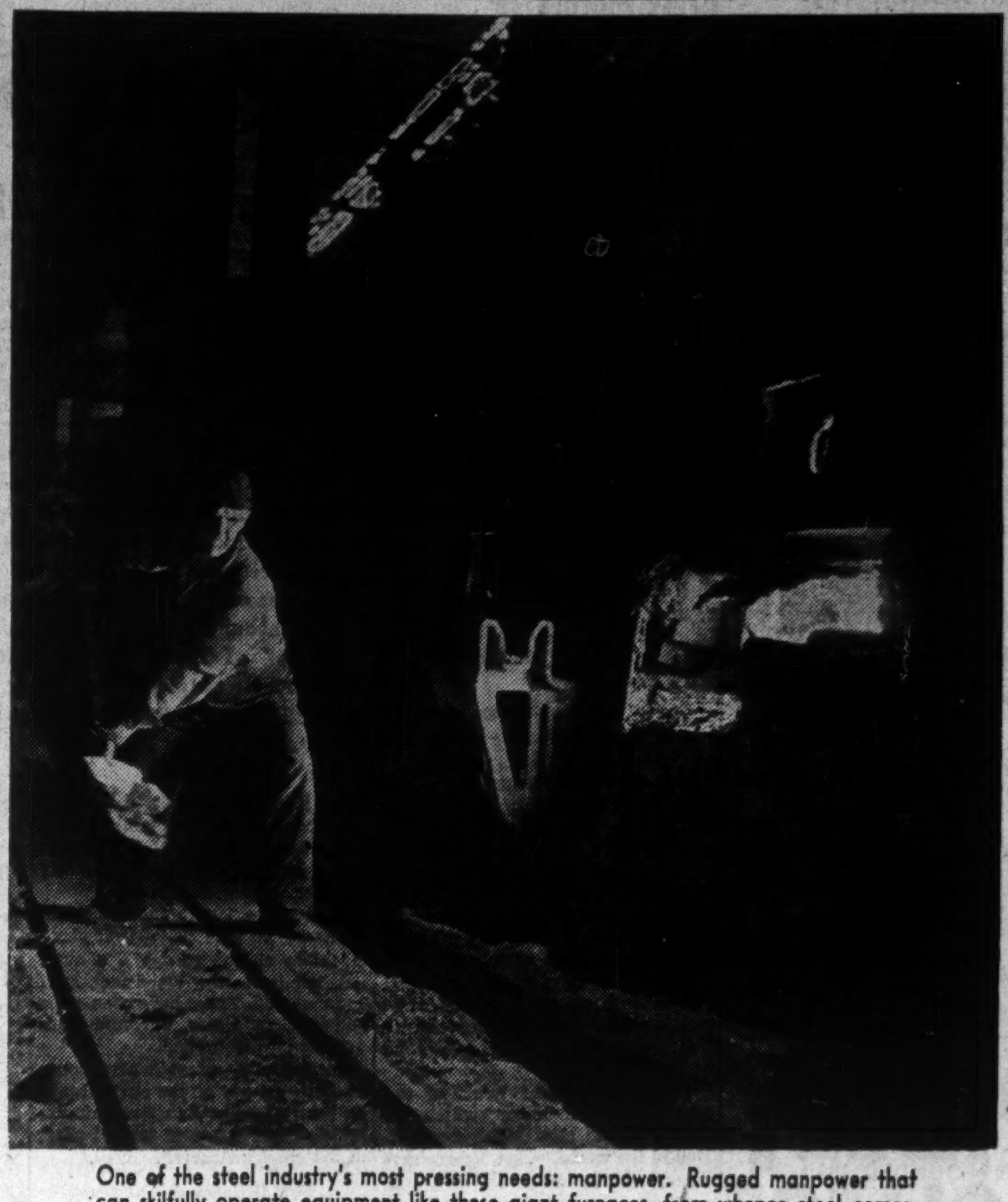
5. That Canada will be prepared to buy, as well as sell, in world markets, and will recognize that international commerce is in reality an exchange of goods and services for goods and services.

Overhaul Tariff

It is on this point that a general overhaul of the tariff is proposed. "As a result of piece-meal building of individual schedules, the tariff is now so haphazard as, in large measure, to defeat its own object."

The Chamber's brief points out that the tariff has never been examined as a whole since 1879, and has meanwhile grown up without any conscious definition of its objects. The revenue system, it claims, is also ripe for general study with a view to removing or modifying taxes which tend to hamper enterprise and employment without yielding substantial returns to the Treasury.

In proposing a general review of the fiscal system, the brief recognizes that though rapid reduction of taxes is an obvious need at the close of the war, it will still be necessary to maintain, and finance, mutual aid on a large scale. It therefore urges that taxation should be designed to permit high levels of production and employment; and that taxes which tend to repress enterprise should be amended or abolished.



One of the steel industry's most pressing needs: manpower. Rugged manpower that can skilfully operate equipment like these giant furnaces, from whence steel comes.

McKenzie R L Lacks Workers

June 30 Quarter Sees Tonnage Drop and Development Suspended

The labor situation became more acute during the second quarter of 1943, W. G. Armstrong, president of McKenzie Red Lake, reports, and as a result mine development other than diamond drilling was practically suspended. Some improvement is expected later in the year when farm workers from the west resume their seasonal occupations as miners.

Results achieved at the property are better than anticipated under prevailing conditions, the president states. Although mine development has been curtailed to less than 20% of normal footage, the ore position has been practically maintained. Diamond drilling in the northeast zone has also indicated the presence of subsidiary structures which in due course, says Mr. Armstrong, will be fully developed.

Development footage during the second quarter totalled 408 ft., of which 44 ft. was drifting on line on the 1,250-ft. level. This heading is being advanced toward the northeast zone, and a further advance of several hundred feet will be necessary in order to reach the ore structure which has already been partially developed on the 1,050-ft. and upper levels. Of the advance, 338 ft. of the remainder was in ore, all in the northeast section. Sixty-seven ft. of this new ore was indicated in a hanging wall drift on the 850-ft. level, and 271 ft. was added to the previously developed ore on the 1,050-ft. level.

The 1,050-ft. level promises to be the best level so far opened in the northeast zone, states Mr. Armstrong. The north drift, which is still in ore, has a further 500 ft. of favorable ground ahead before the sedimentary contact.

Jerome reports ore milled during the six months ended June 30, 1943, of 80,698 tons, and recovery of 13,712 oz. gold. Estimated operating profit for the same period was $233,489 and loans were reduced to $110,000 as at June 30, 1943. No development work was done in the last quarter, due to shortage of labor.

Ontario Gold Output Drops 24% in June

Value of Recovery Down 20.9% in First Six Months — Tonnage Down 22.7% as June Decline Moves Above 6 Month Average

Gold production in Ontario for the first six months of 1943 shows a drop of 22.7% in tonnage and of 20.9% in value from the corresponding period of 1942. During June, the decline was greater than the average for the six months, with tonnage down 26.9% and value down 24.4%, according to the official report of the Provincial Department of Mines.

These values, which include by-product silver recovery, indicate that the mines of Ontario are treating higher grade ore to compensate for lower tonnage, since in every case, tonnage is down more than recovered values, and the decrease in silver output has been greater than that for gold. Silver output dropped 27% in the six months against 20.9% for gold and 25.7% in June against 24.4% for gold. Figures for the province, the various mining camps and individual mines are as follows:

MONTHLY OUTPUT OF ONTARIO GOLD MINES 1942-1943

	1942		1943	
	Tons Milled	Value $	Tons Milled	Value $
Porcupine:				
First Quarter	1,505,846	13,484,633	1,186,956	10,797,947
April	504,162	4,389,875	380,501	3,617,359
May	527,097	4,656,543	384,279	3,295,119
June	486,012	4,424,757	362,361	3,365,924
Total	3,023,117	26,955,808	2,314,097	21,076,349
Kirkland Lake-Larder Lake Belt:				
First Quarter	559,255	6,412,037	579,207	6,900,274
April	218,620	2,806,547	183,181	1,959,354
May	229,847	2,740,744	184,858	2,170,271
June	221,795	2,576,422	166,105	1,983,992
Total	1,229,517	14,535,750	1,113,351	13,013,891
Matachewan-Sudbury:				
First Quarter	185,817	865,972	119,395	475,811
April	72,187	281,848	34,954	174,809
May	72,935	321,180	63,780	282,981
June	73,076	292,545	58,714	253,587
Total	404,015	1,761,545	276,843	1,187,188
Northwestern Ontario				
First Quarter	457,010	5,380,029	313,285	3,836,826
April	148,698	1,806,782	94,847	1,149,830
May	147,777	1,751,203	92,396	1,178,931
June	144,431	1,691,409	88,968	1,186,475
Total	897,916	10,629,423	589,491	7,352,062
Miscellaneous:				
Jan. to June	......	14,006	......	17,463
Total for Ontario:				
First Quarter	2,707,928	26,153,867	2,198,843	22,014,917
April	943,667	9,285,052	693,483	6,905,513
May	977,656	9,472,480	725,313	6,936,545
June	925,314	8,985,133	676,148	6,789,978
GRAND TOTAL	5,554,565	53,896,532	4,293,787	42,646,953

Area	Ore milled	Gold ozs.	Silver ozs.	Total value $
Porcupine Belt:				
Aunor	84,537	28,247	2,185	1,011,383
Bonetal (Broulan mill)	13,030	2,119	212	81,667
Broulan	63,445	18,158	1,667	699,725
Buffalo Ankerite	138,265	26,278	2,336	1,012,565
Coniaurum	58,535	16,994	3,424	655,627
Delnite	67,978	11,038	1,088	430,810
Dome	263,900	76,302	14,186	2,943,098
Hallnor	56,042	21,146	1,601	814,673
Hollinger	578,767	153,363	18,548	5,912,163
Hoyle	99,529	9,193	1,078	354,306
McIntyre-Porcupine	347,100	97,123	17,300	3,745,879
Moneta	14,087	5,157	661	198,596
Naybob	3,843	662	59	25,492
Pamour	270,965	28,503	2,832	1,098,455
Paymaster Cons.	72,371	14,972	3,874	577,930
Preston East Dome	136,137	31,162	3,287	1,200,495
Ross (Hollinger)	45,568	8,042	10,333	313,485
Total	2,314,097	546,459	84,671	21,076,349
Kirkland Lake Area:				
Bibgood	24,937	7,606	3,859	294,330
Kirkland Lake Gold	43,475	16,367	1,800	629,610
Lake Shore	155,309	70,553	14,348	2,721,832
Macassa	54,215	23,640	3,790	911,576
Sylvanite	76,219	26,104	3,865	1,006,456
Teck-Hughes	49,160	16,641	1,754	642,174
Toburn	20,505	8,107	1,407	312,619
Upper Canada	37,178	17,682	8,375	683,953
Wright-Hargreaves	121,290	59,900	13,045	2,309,500
Total	582,288	246,600	52,243	9,512,050
Larder Lake Area:				
Chesterville	102,401	11,721	615	451,499
Kerr-Addison	368,921	70,655	3,594	2,721,614
Omega	58,041	8,329	1,058	321,053
Yama	1,700	199	63	7,675
Total	531,063	90,904	5,330	3,501,841
Matachewan Area:				
Matachewan Cons.	136,847	10,536	3,169	406,874
Young-Davidson	59,298	6,524	572	251,431
Total	196,145	17,060	3,741	658,305
Sudbury District:				
Jerome	80,698	13,701	3,737	528,883
Algoma District:				
Regnery Metals	1,423	91	17	3,509
Thunder Bay District:				
Hard Rock	59,335	15,274	166	588,118
Leitch	14,477	12,244	......	471,343
Little Long Lac	50,558	14,812	1,449	570,799
MacLeod-Cockshutt	109,795	31,325	420	1,206,016
Magnet	27,020	9,179	988	353,181
Total	261,185	82,834	3,023	3,190,086
Kenora & Rainy River Districts:				
Wendigo	301	690	122	26,583
Patricia Portion:				
Berens River	......	9,826	......	370,603
Central Patricia	60,016	22,392	2,161	862,194
Cochenour Willans	27,850	14,079	435	541,438
Hasaga	60,317	10,064	......	387,444
Madsen Red Lake	72,268	16,952	......	652,872
McKenzie Red Lake	42,439	12,133	2,239	468,301
McMarmac Red Lake	15,639	3,204	137	123,376
Pickle Crow	32,644	15,827	1,718	609,813
Uchi	15,414	3,006	255	115,843
Total	326,587	107,283	6,945	4,131,884
Miscellaneous:				
Deep Lake	......	15	......	588
Kenwest	......	438	80	16,875
Total	......	453	80	17,463
GRAND TOTAL	4,293,787	1,106,075	159,909	42,646,953

LET'S SEE,

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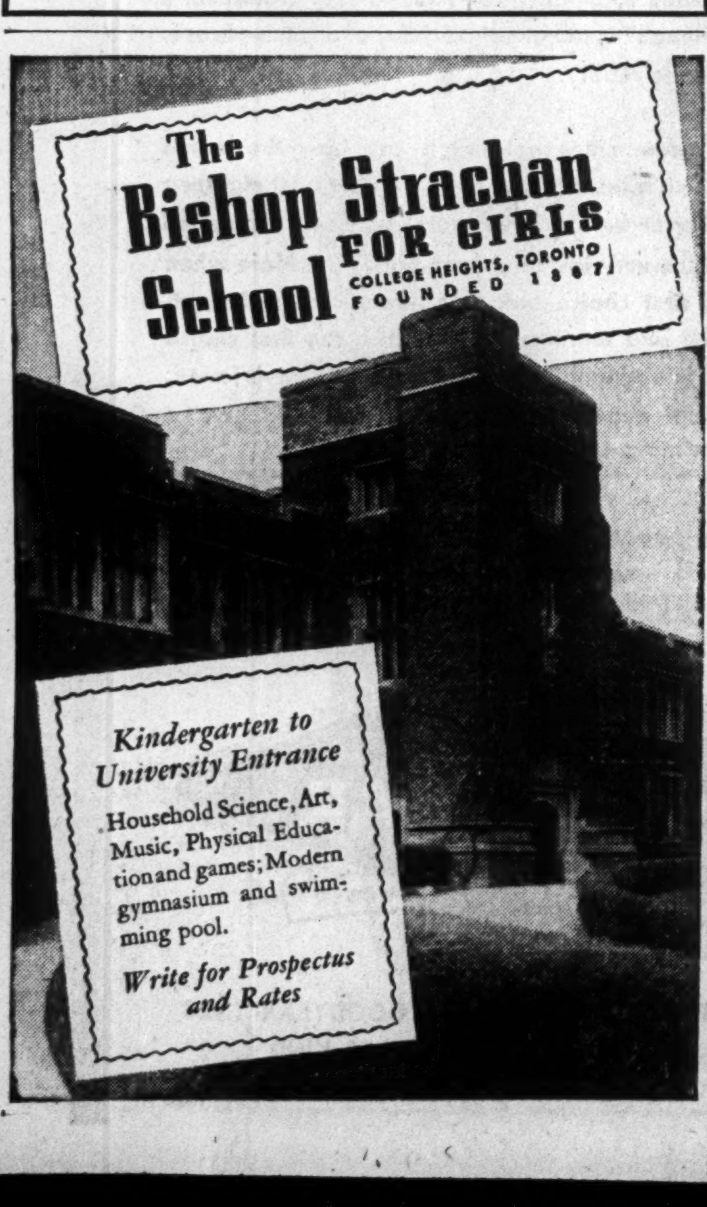

Army Motors

Six Thousand Drivers a Year

Army's Woodstock D & M School in Full Stride

Within the sprawling buildings and areas of D & M School, Woodstock, Ont., they are teaching combat finesse in driving, camouflage, harboring and maintenance of every type of wheel or tread machine in the army except the armored fighting vehicle.

Doubled in size a few months ago, Driving and Maintenance School recently hit a production-for-victory stride.

Every eight weeks, now, another thousand young buck privates complete a stiff polishing course and return to their units throughout the country ready to engage the enemy in mechanized invasion operations or pass on their skill behind the front as instructors.

18-Mile Convoy

It was from this base at the end of July that an 18-mile convoy of 250 wheeled army vehicles—enough to move an infantry brigade—rolled out on 4-day manoeuvres. This was one of the largest mechanized infantry operations ever undertaken in Canada, covering a good part of Bruce Peninsula in converging movements which were described as impressive in their efficiency.

The school is in Military District 1, headquarters London, Ont., and public relations officer, Capt. Bruce Pearce, says the whole army is proud of its performance.

Of the important work of the school as part of an army which "for its size is the most highly mechanized in the world," Capt. Pearce says that D and M has several thousand graduates overseas and that every camp and training area across Canada has its quota of "Woodstock alumni."

Standards of technique, discipline and esprit de corps which have produced these results since the establishment was opened in April, 1941, are ascribed largely to the commanding officer, Col. R. B. Crouch, and the chief instructor, Lt.-Col. N. A. McIntosh.

Whether in deep snow, heavy mud or glaring sun, any day at Woodstock finds artillery tractors and motorcycles, universal carriers and jeeps, heavy lorries and mobile workshops, scout and reconnaissance cars, piling over or around some of the roughest terrain in Oxford County.

Training areas include everything likely to be met in military operations—road blocks, mine areas and other man-made obstacles, peat bogs, gravel pits, bushland, floating marshes, rivers and cliffs.

Every eight weeks Woodstock's Driving and Maintenance School, Military District No. 1, turns out a thousand young buck privates who have completed a tough course in mechanized invasion operations. This may require the lads to take their jeeps and tractors, lorries or cycles through deep snow, heavy mud, or over and around some of the roughest terrain in the country. Proof of the remarkable instruction, discipline and esprit de corps characterizing this school is the fact that while there have been spills there has not been a single fatal accident.

That not a single fatal accident has occurred with 500 high-powered machines on the go day and night is a tribute to the Woodstock staff and methods. There have been spills and broken limbs but audacious driving is discouraged.

Incidentally, exact whereabouts of every vehicle on the strength can be ascertained within five minutes by means of a master control chart in the chief instructor's office.

Few Officers and NCO's

Top officers of training centres and of units destined for overseas service go to D & M for a week or more to acquire the "feel" of army transport but the great majority are neither officers nor NCO's.

More than three quarters of the student body at any one time will be found in the driver-mechanic wing. With the exception of the Armored Corps and the Army Service Corps, Woodstock trains men as driver-mechanics for every arm of the service, including artillery, infantry and reconnaissance units.

They come to the school qualified as Drivers, Class 3, selected by their own commanding officers for aptitude and accomplishment.

An entire three-story building is devoted to classroom demonstrations in dismantling and re-assembling.

Five days of the two-month course are given to the motorcycle alone.

The boys are taught ditching and unditching, towing, winching and recovery, among other aspects of training in which earlier instruction had been necessarily sketchy.

Hard Work

"Our job," says Col. Crouch, "is to bring men and machines together to teach how to effect repairs on and drive all army transport.

"Lectures on maintenance are interspersed with practical work and plenty of riding and driving. We teach driving in convoy by day and night, have the men operate their machines over the most difficult ground while insisting on observance of approved safety measures."

Expansive in its array of hutments, lecture rooms, offices and workshops, on what was the Woodstock Fairground, the camp embraces 325 acres of training grounds in three main areas.

It has its own hospital and fire brigade with a fire truck built on the premises. It has a fully equipped garage where heavy repairs may be effected speedily on damaged vehicles.

Diagrams and charts in the lecture rooms, prepared by staff members, illustrate in detail the parts of all vehicles.

It takes just about 1,000 gals. of gasoline a day to keep D & M School rolling.

Its drivers work in all weathers, on good roads, bad roads and no roads at all, often without lights when going by night. The lads and their machines had a gruelling test on drifted and icy roads and lanes last winter. They say at Woodstock that it takes plenty of such adversity to turn out the steady, nerveless drivers upon which Canada's motorized army is depending heavily.

Canadian Flair

"Canadian boys have a flair for motor transport, just as for flying," Col. Crouch says. "Most of the lads coming to us are mechanically minded. They readily absorb instruction and display acuteness of perception on fine points in the care of their wide variety of machines.

"Many of them have what must be called a fine talent for motorcycle or carrier operation, and we give them every opportunity to reveal their natural abilities."

One of the lasting impressions of a visit to D & M is the pride evidently taken in their work by the students; confident mastery is displayed on the parade ground, the road, shop and classroom.

Kerr-Addison Ore Find Rich

Width of 47 ft. Runs $24.12 — Opened in Drifting

Highlight of the June quarterly report of Kerr-Addison Gold Mines is the announcement of the opening of an exceptionally rich section of ore in the No. 10-A ore zone of the west carbonate area. The ore, intersected in a crosscut showing a width of 47 ft. grading $24.12 a ton (at $35 gold), has been opened up for a length of 170 ft. in drifting averaging $21.81 a ton across drift width.

This ore had not previously been indicated in diamond drilling. No suggestion is made in the report that the ore is limited to the drift width in the section opened. Perhaps the highest grade section of ore ever opened at Kerr-Addison, ore from the new showing, could possibly play an important part in offsetting any tendency of tonnage to drop in the months ahead due to labor shortage, it is understood.

Earns 10.7c. in Quarter

Labor shortage forced reduction in tonnage from 2,100 to 1,650 tons daily at Kerr-Addison Gold Mines finds a reflection in the quarterly production and profits for the three months ended June 30, 1943. Output was approximately 10% below the previous quarter and as a result estimated net profit for the quarter was nearly $100,000 lower at $506,633.

Earnings were equal to 10.7c. a share for the June quarter compared with 12.7c. a share for the immediately preceding quarter and the 12.7c. a share also for the June, 1942, quarter.

President J. Y. Murdoch reports that with only a limited number of men available for development—the crew dropped from 430 to 376 during the quarter—this work was restricted.

Diamond drilling of the west carbonate zone between the 700 and 1,450-ft. levels continues to outline No. 9 and 10 ore zones. Further drilling of the east carbonate zone indicates parallel ore shoots in both Nos. 15 and No. 19 ore zones.

On the 700-ft. level, drilling indicates an extension of No. 15 zone. The ore is evidently narrow but of good grade.

The main crosscut on the 2,500-ft. level has been advanced 400 ft. from the shaft but has not yet reached the ore zone. A total of 500 tons of scheelite ore was shipped during the quarter to the Quebec School of Mines plant at Val d'Or, Quebec. It assayed about 1% (tungsten trioxide).

The labor situation is still extremely acute.

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BUY WAR SAVINGS STAMPS AND CERTIFICATES

Beattie Gold Mines (Quebec) Makes Deal For New Shaft

A contract for a new shaft has been let by Beattie Gold Mines (Quebec) which it is expected will take an important place in future production plans, The Financial Post is informed. The new opening will be put down on the company's Donchester claims.

At the time of a collapse in the company's open pit recently it was announced that a new shaft was planned and the shaft would be sunk while rehabilitation work proceeds in the main mine area.

The new shaft which will be a large five-compartment one, will get under way in the next few days, it is expected. It will do down to a depth of 1,030 feet, with stations at approximately every 150 ft. The hope is expressed that the job will be completed about the first of next year.

5,000 ft. to East

The shaft will be located about 5,000 ft. east of the present shaft, thus giving access to the new and higher grade orebody some 300 ft. north of the drive on the sixth level.

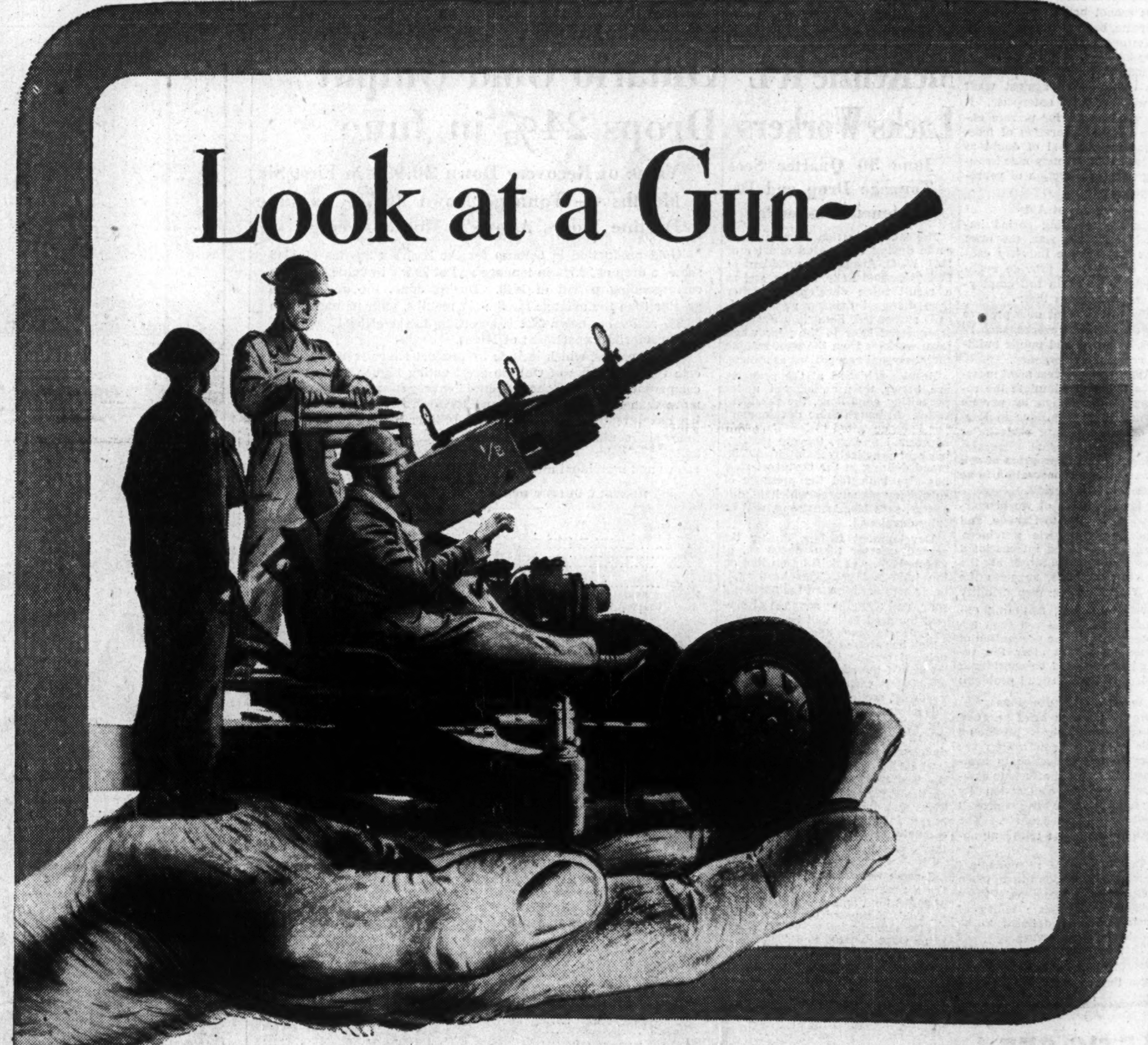
Work of clearing and repairing the old shaft is reported making progress. Two protective bulkheads have been placed in the shaft at the first level and three at the second, while work is now in progress on the third level. From 200 to 300 gallons of water per minute have been pouring into the shaft since the cave-in in June, and air lifts are being used for pumping. Broken timbering must also be removed as the work proceeds and a decision has yet to be reached to the type of pumps to be used for the removal of the soft clay in the workings and the shaft, it is stated.

Central Patricia Gold Mines reports net profits of $155,972 for the three months ending March 31, 1943 compared with an average quarterly profit in 1942 of $120,312. Tonnage milled for the quarter was 34,226 tons.

Statement of Earnings

	3 mths. ended Mch. 31, 1943	Year ended Dec. 31, 1942
Gross value of prod. .	$450,348	$1,720,634
Net earnings	246,732	785,246
Less: Taxes	62,975	176,786
Profit before deprec. .	183,757	608,460
Less: Deprec. & exp.	27,785	127,213
Net profit	155,972	481,247

Look at a Gun–



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AND ITS EMPLOYEES
IN WAR AND IN PEACE — A NATIONAL ELECTRICAL SERVICE

THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, August 7, 1943

Blueprinting The Draft

Essential War Industry's Manpower Supply Charted

Industrial Mobilization Survey, Started Last December and Now Getting Up Steam, Is Expected to Result in Orderly Call-ups for Armed Services and to Keep War Industry Going

By KENNETH R. WILSON

Ottawa's new plan for checking and blueprinting the withdrawal of men of draft age from essential industry is now really beginning to roll.

In December, 1942, plans were laid for an Industrial Mobilization Survey which would help industry to work out an orderly method of withdrawing from employee ranks men who were drafted for the army or who were of an age and physical capacity within the ages designated under the draft call-up regulations.

After a number of set-backs and growing pains, the plan is now moving into big-time operation—charting the manpower call-up position of essential war industry and helping release these men on a planned and orderly basis rather than in an individual and haphazard way as heretofore.

The eventual target is to survey 800 to 1,000 plants in war industry—plants employing upward of 700,000 men and women. At the moment only those plants employing 200 or more persons are being surveyed and blueprinted.

150 Firms Surveyed

In the five regions where the survey plan is already set up (Montreal, Toronto, Kingston, London and Quebec) it covers 150 firms employing perhaps 75,000 to 100,000 persons. The number of plants actually completed is much less than that—there are to date about 40. These 40 firms give employment to perhaps 20,000 or more men and women. Surveys in one or two of the largest war plants are now nearing completion.

Stemming from a Manpower Survey Committee headed by H. Carl Goldenberg of the Dept. of Munitions and Supply and representative of all interested departments and services, there has been set up in the civilian section of the National Selective Service a special Industrial Mobilization Survey Division. Supervisor of the division is Willard R. Scott. By the middle of August Mr. Scott expects to have a staff of about 100 "employment advisers" working out through the five regions and contacting essential industry in these areas.

How it Works

The plan is something like this:

Top executives are approached and asked to complete a plant census giving factual information about every man in the firm's employ who is within the designated draft call-up age classification. With this list as a guide, every employee so named, is interviewed personally by one of the "employment advisers" on the staff of the survey organization.

Once this is done a complete report on these employees is submitted to the local board or committee set up especially to deal with these surveys and which is in turn representative of various interested parties. The Toronto committee, for example, is chaired by S. R. Frost, formerly of the Wartime Bureau of Technical Personnel. It includes representatives from Munitions and Supply; from the local. Mobilization Board; from the armed services; from the Employment Service.

Individual Treatment

Every name on the list of each plant under study is treated individually and an attempt made (in consultation with the employer) to work out an orderly withdrawal of those found subject to call. Once the program (which lasts for six months, the maximum period for which postponement can be obtained) is completed, it is turned over to the local Mobilization Board for acceptance or rejection. So far, the batting average of acceptances is said to be almost perfect.

If the plan is approved, the Board starts calling men on the basis of the new "staggered" program. (And it is important to notice that what the plan is designed to accomplish essentially is the withdrawal and handling of call-ups within a plant on the basis of the plant as a whole rather than handling them individually and piecemeal as in the past).

Where a company has several plants each plant is treated as a unit. Once the initial calls are made under the plan there is a personal follow-up system with the employer so as to see that those employees who are left are upgraded or reclassified to best advantage and also that co-operation is forthcoming from the Employment Service to help fill the "gaps."

Tentative Conclusions

So far, it is too early to draw more than tentative conclusions from the final results in plants where the survey has been completed and "staggered" call-ups are in effect. But on the basis of some 35 companies employing about 13,000 people here are a few preliminary conclusions:

Out of the 13,000 employees, 8,700 were men and 4,200 were women.

Of the 8,700 men, about 2,300, or 25%, were subject to call.

Out of those who were subject to call, about 15% were "missing" persons, that is, persons who for one reason or another were not known to the Mobilization Boards though they were subject to draft.

Of the total number of men subject to call, about 40% were medically unfit.

Of the number subject to call, about 10% were available for release to the army immediately. The remainder were "staggered" over periods of one to six months.

Here are some additional figures placed on the record by Hon. Humphrey Mitchell during his manpower speech in the House of Commons, June 23. It will be noted that Mr. Mitchell's figures reveal a higher total than those given above. This is apparently because the Mitchell figures covered those firms which were under study but for which the surveys had not been completed. (The smaller totals given above are more revealing in many ways since they indicate, for example, the numbers of missing persons who would be revealed when the survey is complete).

Here are the Mitchell statistics:

"The Industrial Mobilization Survey has progressed to the point where we have a factual picture of fifty-eight companies, engaged in war production, employing a total of 81,070 people—of which 55,083 are men and 25,987 are women.

"Of the total number of men employed it was found 13,689 or 24.8% were within the designated age classes, subject to military training. It should be borne in mind that a considerable percentage of those subject to call are medically unfit.

"For the 58 companies referred to these surveys show 1,464 men in the designated age classes can be replaced by women. They also indicate a total of approximately 6.913 men have enlisted in the armed services.

"Some of the plants show a high percentage of women employed. One in Toronto, the General Engineering Co., had 2,848 women out of a total of 4,382 and only 114 of the men were subject to military callup.

"The John Inglis Co., Toronto, with 16,491 employees, had 7,493 women and 8,998 men, with 2,080 of the men subject to military service.

By the end of 1943, it is hoped to have completed the surveys in the highly industrialized areas of Canada. Each survey will be reconsidered at the end of six months. Survey organization is presently to be set up in Vancouver and Halifax. Every change in the draft regulations (for example, the extension to age 18½ now mooted at Ottawa) will require an adjustment in individual plants since the surveys so far have covered only men included in the draft regulations at the time the survey is made.

The over-all Manpower Survey Committee at Ottawa under whose direction the program is being carried out includes, in addition to Chairman Goldenberg, the following:

General Harold Riley, Associate Director of National Selective Service.

General A. E. Nash, Vice adjutant-general, representing the Armed Services.

Harry Carmicrael, Co-ordinator of production.

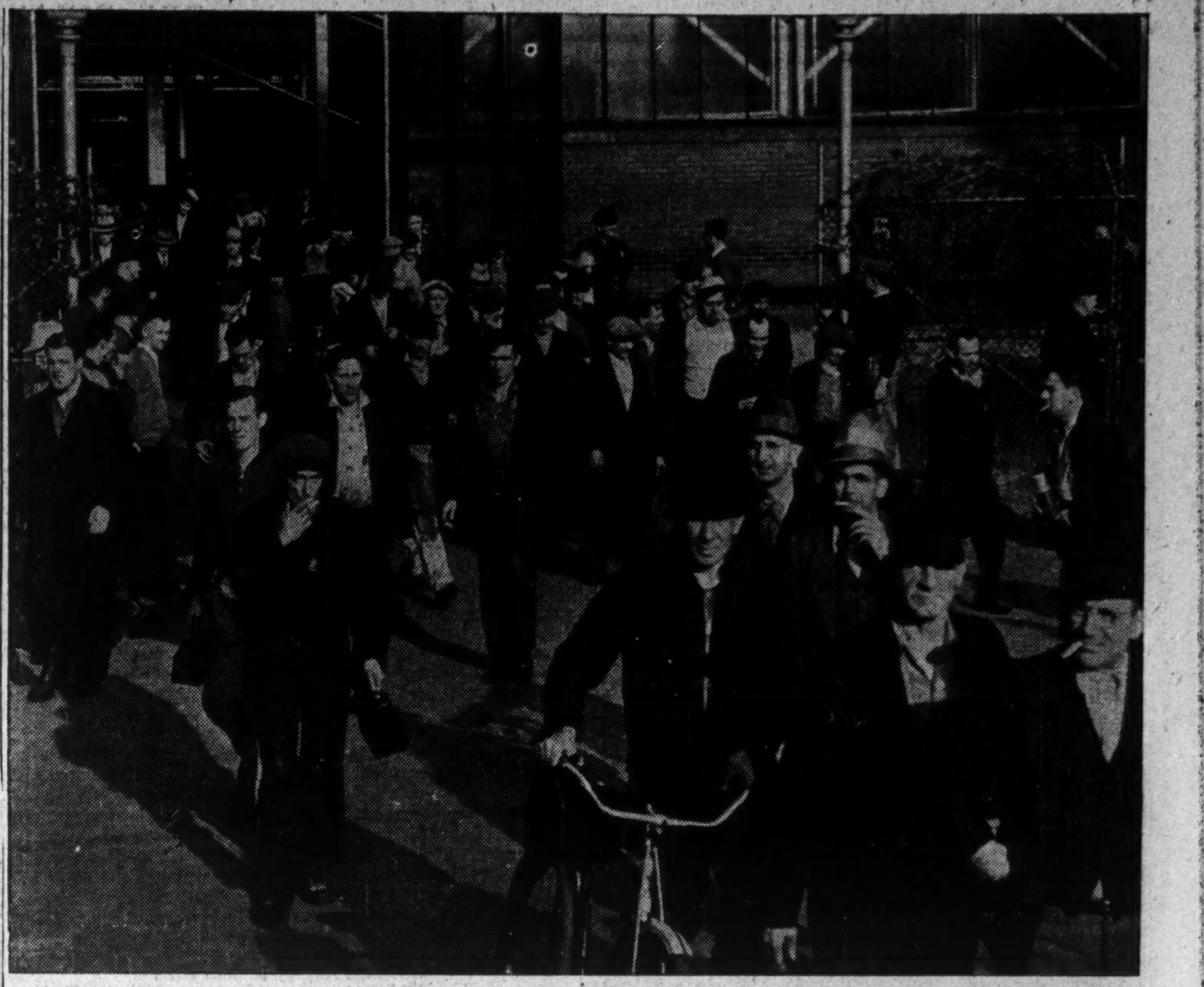
Allan Mitchell, Director, Employment Service.

M. M. MacLean, Director of Industrial Relations, Dept. of Labor.

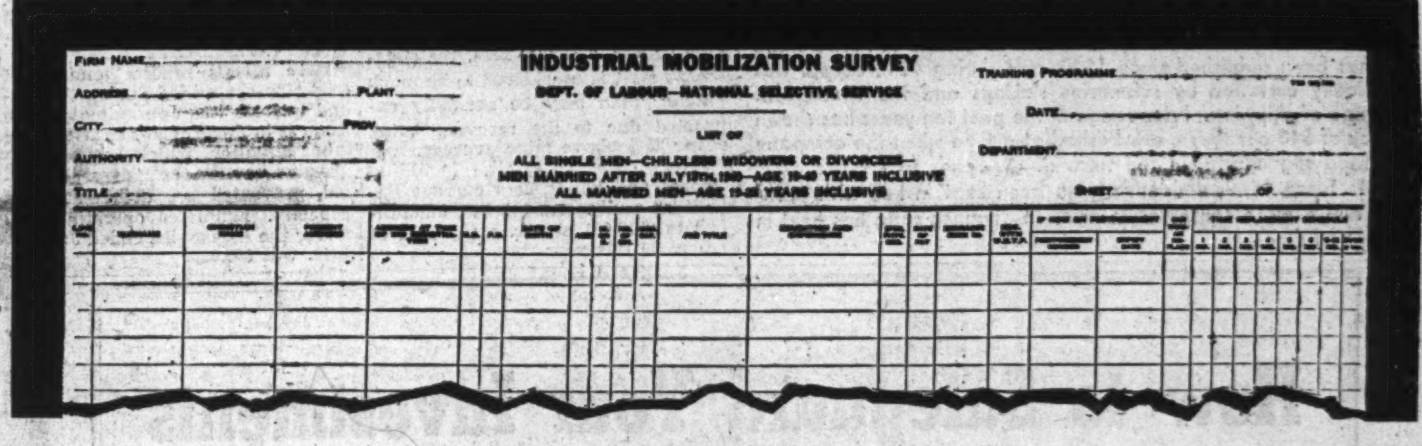
W. R Scott, Supervisor of Mobilization Surveys.

T. H. Robinson, Assistant Director, National Selective Service.

Although the surveys apply now only to war industry, provision is made that they can be extended to "such other industries or businesses as are deemed necessary to the economic life of the country under stress of war conditions, or to occupations as may be declared by the Minister of Labor to be essential to the prosecution of the war or in the national interest."



"Eventual target is to survey 800 to 1,000 plants in war-industry."



On forms such as this, war industry classifies its working staffs.

The Plan Explained

1. What is "Industrial Mobilization Survey Plan"?

It is a plan to provide for the listing of the personnel of essential industries, in designated age classes, who are subject to military call.

2. What are its immediate objectives?

(a) To facilitate the orderly withdrawal of replaceable workers from essential industries into the armed service and to provide for their replacement with the least possible disturbance to production.

(b) To facilitate the work of mobilization boards in considering applications for postponement of workers in essential industries.

3. What are its further objectives?

To reveal to employers the necessity and opportunity for training and upgrading of workers, to call to their attention ways in which women, older workers and handicapped workers may be utilized.

4.—How will it operate?

(a) It will provide evidence to justify the postponement of men, in essential positions. A Mobilization Survey Plan is prepared by an employer and is then officially checked and verified. After that it serves as a guide to mobilization boards in determining postponements.

(b) It acts as a first charge on the Employment Service of Canada to replace those men who are medically fit and subject to military training.

(c) It provides the basis for a joint effort involving employer, employment service, mobilization boards, Department of Munitions and Supply, and any other branches of government required to accomplish this end.

5. How was the plan developed?

It was worked out co-operatively with the Department of Munitions and Supply and Department of Labor, National Selective Service, through a central mobilization survey committee.

6. Who will participate?

Manufacturing plants engaged in essential war work who are verified by the Department of Munitions and Supply, and such other industries or businesses, as are deemed necessary to the economic life of the country under stress of war conditions and any industries or occupations, as may be declared, by the Minister, essential to the prosecution of the war, or in the national interest.

7. What is the procedure?

It is to be compiled in the desired number of copies, as indicated in "Explanatory Notes" (on reverse side of this sheet) all copies to be forwarded to the attention of Regional Postponement and Alternative Service Officer in the district in which you are located.

8. How will Mobilization Survey Plan be kept current?

(a) By periodic review at least every six months, and by special review whenever the personnel of a plant is substantially changed.

(b) By notifying the Divisional Registrar immediately on special forms provided, of any employee listed on the plan leaving his employment.

Investing For Tomorrow

International Petroleum in New Era

"Pete" Should Benefit as America Looks Abroad for More of Its Oil

By BRUCE MacKINNON

Article No. 5

At today's rate of consumption, over four million barrels of crude oil are being taken out of the wells of the United States each day. Before the war, normal peacetime requirements were over three million barrels per day. That oil, which can never be replaced, is being drawn from a reserve that is currently estimated to total approximately 20 billion barrels. If the United States were to contine consuming at the present rate, and did not find any new oil fields, the entire supply would be exhausted in a little less than 14 years. But as the producing capacity of each well declines fairly rapidly, the U.S., without new fields, would not long continue to produce four million, or even three million barrels per day.

Gloomy predictions of this nature have been made by geologists and economists periodically ever since petroleum has been used commercially. Actually, it can be taken for granted that the U.S. will add to its reserves and will have petroleum long after the 14-year period has expired.

But there is this much truth in the pessimistic calculations; oil is not getting any easier to find in the U. S., and when new wells are discovered they are becoming progressively more costly to develop and result in a less generous flow than used to be generally the case. In short, the petroleum industry in the U.S. appears to be running into a period of increasing costs and diminishing supplies, and unless new and unexpected discoveries are made, North America is likely to become more and more dependent on other continents for its crude oil

There is nothing particularly abnormal about this situation, which has been a key factor in the policies of the larger oil companies since before World War I. The most important factor which has changed since petroleum engineers first began to look outside the U.S. has been the steady depletion of reserves in that country, and the gradual building up of outside fields to meet an increasingly large share of the total demand. Nothing on today's horizons indicates that there will be any reversal of this long-term trend.

Problem is of Global Nature

How rapidly the oil fields in other parts of the world are depleted will be the most important single factor in determining the production and hence the rate of earnings from the properties of International Petroleum located in Venezuela, Colombia, Peru and Ecuador.

The problem is of a global nature, and such outside factors as national policies regarding conservation of supplies, technological developments leading towards fuel economy and so forth, which are beyond the scope of the petroleum companies themselves, will have a dominant bearing on the outcome. Nevertheless, the probabilities strongly indicate that International Petroleum will be called upon to provide more oil than it did in the years before the war, and that this demand will tend to increase rather than slacken for a number of years to come.

Will International Petroleum be able to deliver the goods?

Many of the facts that would make a precise answer to that question possible have been obscured by wartime censorship which has prevented the company from releasing full information on production and reserves. The amount of oil produced from the three main sources, Venezuela, Peru and Colombia has not been reported in detail since 1940. In that year a total of 40 million barrels was produced from the three sources. Approximately half of the total came from Colombia, while Peru and Venezuela shared the remainder in roughly equal proportions. In 1941 total production was boosted to 41.8 million barrels, but in 1942, owing to the scarcity of shipping, over-all production dropped back to 25.9 million barrels.

How big a reserve of crude oil lies behind these production figures is not officially stated. But in all of the three producing areas it is known that reserves were higher at the end of 1942 than they were at the beginning, and that they are generally regarded as "satisfactory." To most petroleum engineers, the reserves would not be regarded as fully satisfactory unless they were sufficient for about 10 years' operations at normal rates.

Oil Prospects in Ecuador

In addition to these reserves, the company and its subsidiaries have undeveloped prospects in all the producing countries, and the company holds a 60% interest in International Ecuadorean Petroleum Co. which was formed last year to carry on the company's operations and those of other Standard Oil subsidiary companies in exploring for oil in the Republic of Ecuador. In addition to other concessions, this company has exclusive exploration rights on 10 million acres of land, with the right to select one million acres for future development, to which it will have exclusive rights. In the limited amount of exploration work done so far, some natural gas has been discovered, but as yet no crude oil.

Operations of International Petroleum are carried on on a different basis in each of the countries in which it operates. In Venezuela, Pete has a one-fourth interest in the Mene Grande Oil Co. This company has large interests in the two main oil-producing areas of Venezuela—the Oficina district of eastern Venezuela and in western Venezuela or the Lake Maracaibo district.

In both these areas Mene Grande has producing wells and potential oil fields under development. During 1943 taxes on oil produced were increased by the Venezuelan Government, but in return the government lengthened the terms of the land concessions granted to the oil companies. These concessions now terminate in 1983.

The company does not operate a refinery in Venezuela, activity being confined to producing crude oil and transporting it to the sea. Oil from the principal or Oficina field in the east is transported by a 16-inch pipe line, while the oil from the Lake Maracaibo region is moved to the sea by tankers.

In Colombia, operations are carried on through a wholly-owned subsidiary, the Tropical Oil Co. This company holds the property known as the De Mares Concession which comprises 1,319,344 acres in the valley of the Magdalena River, some 400 miles from its mouth on the Caribbean Sea.

When detailed reports were last available on this field, in 1940, a total of 1,167 wells had been drilled of which 1,128 were then in production. Part of the oil from this field is treated at the company's refinery at Barranca-Bermeja on the Magdalena River near the producing field. The oil treated at the refinery is used for domestic consumption in the Republic of Colombia, and in 1940 amounted to 2.7 million barrels out of a total of 21.1 million produced.

The remainder of the oil from the DeMares Concession is shipped 335 to seaboard at Cartagena through the pipe line of the Andian National Corp., Ltd. (Andian National is also a subsidiary of International Petroleum which holds 97% of the outstanding stock.)

At the present time the DeMares Concession is the subject of litigation before the Supreme Court of Colombia. Question at issue is whether the title to the concession expires in 1946 or in 1951. The Government of Colombia claims that the expiry date is in 1946 while the International Petroleum Co. is seeking to have 1951 confirmed as the proper date.

Outcome of Suit Vital to Investor

For the investor the outcome of the suit will be of major importance since it will determine whether or not International Petroleum is to hold this concession for three years or for seven years under present conditions. It is expected that the Supreme Court, in whose fairness the company has expressed full confidence, will make a decision before the end of the year.

In Peru operations are not on the concession basis. La Breay Parinas estate in northern Peru is owned outright by International Petroleum and covers an area of 411,310 acres. At Talara on the seacoast International Petroleum operates a refinery which had, until 1940, been treating in the neighborhood of slightly more than 6 million barrels a year. The refined products from this refinery are sufficient to meet Peru's own requirements and provide a surplus for export to all parts of the world.

New Peru Pool Discovered

Between 1936 and 1940 the Peruvian fields showed a declining trend, total production dropping from 15.1 million barrels to 9.6 million. But in Jan., 1940 a new pool was discovered in the northern part of the International Petroleum ground, and during the year 33 wells of better-than-average productivity were completed.

A second productive area was discovered nearby during the year, and in the course of 1941 the two pools were further developed and three new productive areas discovered. During 1942 two of the latter three areas were developed with satisfactory results, while

(Continued on page 12)

International Petroleum

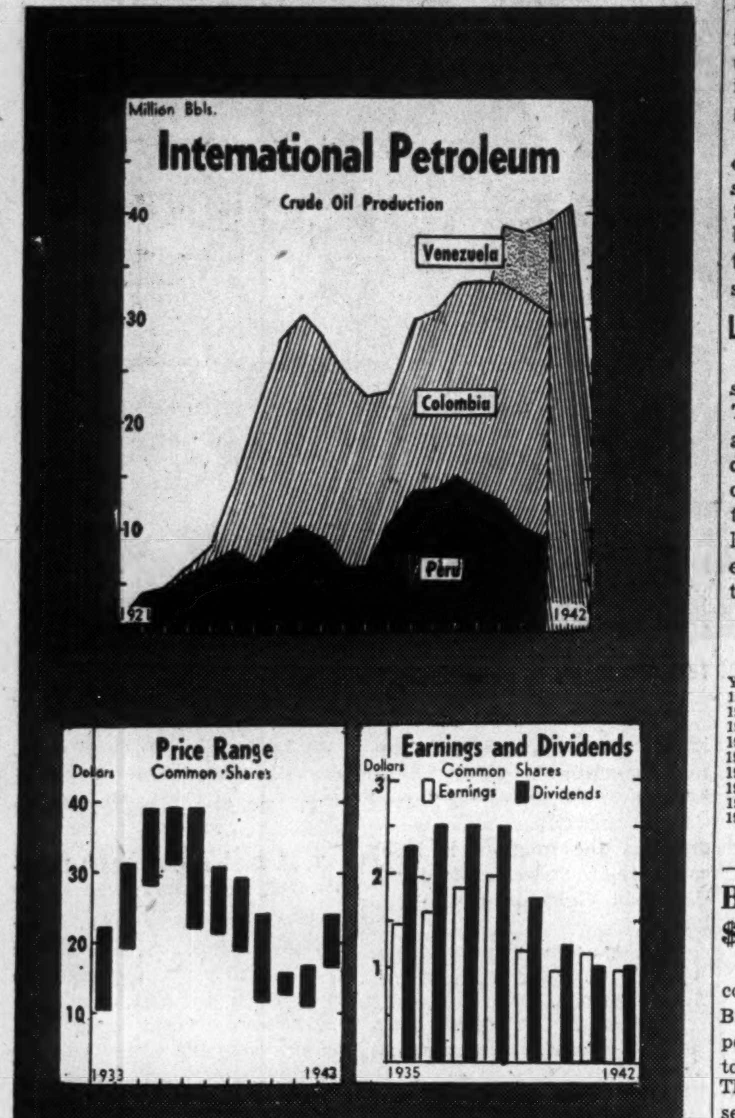
(Continued from page 11)

the third discovery has not as yet been followed up.

Net result of the operations for the last three years has been to bring a radical improvement to the reserves of crude in Peru. In spite of this improvement, and with due reservation for the uncertainties inherent to oil prospecting, it appears probable that the largest possibilities for expansion are in Colombia and Venezuela.

For the immediate future, earnings of International Petroleum appear headed toward a higher level than was experienced in 1942. The apparent victory over the Nazi submarine war should permit an early resumption of the tanker service to the Caribbean ports which came to an almost complete stop for a time in 1942.

While this improvement in the shipping situation should result in a gain in International Petroleum's operations, shipping will still remain scarce for some time to come and some of it will undoubtedly be used to carry oil from other fields to the fighting front, notably from the Iranian and Iraq fields to and through the Mediterranean which is now again open to normal cargo traffic.



International Petroleum's production has shown steady growth (aside from a brief interruption during the depression) since 1921. The addition of crude from Venezuela has been of growing importance, as indicated in the chart at top. Source of Pete's crude has not been published since 1940, and during 1942 output was drastically curtailed by submarine sinkings and the consequent shortage of shipping. Price range in the past ten years has shown a peak of $40 per share, established at a time when the company was repaying capital in the form of dividends (see lower right chart). Since 1940, dividends have been kept in line with earnings, and a more conservative price-to-earnings ratio has held in market trading.

Pete's Outlook Favorable

But even with these qualifications, both the immediate and the longer term outlook for International Petroleum appear distinctly favorable. A rapid return to normal earnings and an increase in the present $1 dividend appear probable within a year or two, and over the longer term, further substantial growth is indicated by the gradual depletion of oil reserves in other countries.

The uncertainty concerning the status of the DeMares Concession will require some caution on the part of investors until the situation is cleared up. While it would be unwise to leave the possibility of an unsatisfactory settlement out of the picture, particularly when it involves so productive an area, it would be equally unwise to exaggerate the dangers in the situation.

International Petroleum is a veteran of 30 years' experience in carrying on business in South America. The record of that 30 years shows that the company has repeatedly surmounted difficulties with South American governments by arriving at agreements that have been satisfactory to all concerned. It is at least an even-money bet that the question of the DeMares Concession will be settled in a similar fashion.

Larger Tankers Can Lop 25% off Costs

Over the longer term, operations of International Petroleum should be carried on, if anything, more economically than in the past. The trend toward larger and faster ocean tankers may lop as much as 25% off the costs of transporting crude and refined products to distant markets. Oil development in South America is usually carried on over large areas, so that wells can be spotted in such a way as to make the best use of the structure, gas pressure and other geological factors. A great many imponderables—taxes, royalties, etc.—enter into the cost picture, but from a purely technical point of view, there is little reason to expect increasing costs in the near future.

International Petroleum Statistical Record

Year	Price Range Common High	Price Range Common Low	Net Profit ($ millions)	Earned per Share‡ Common	Dividends Paid† Common	Working Capital ($ millions)
1943	24	17	...	...	...	...
1942	17⅜	11	13.6	0.94	1.00	40.7
1941	16	13	17.9	1.23	1.00	37.4
1940	24	12¼	13.6	0.94	1.25	21.0
1939	29	18⅜	▲17.3	1.19	1.75	22.0
1938	31½	22	*28.8	1.98	2.50	27.4
1937	39⅝	23½	26.3	1.81	2.50	56.1
1936	39⅞	32½	24.0	1.65	2.50	55.5
1935	39½	28½	21.7	1.49	2.25	57.4

*Fiscal year ended June 30. ▲Fiscal year ended Dec. 31.
†Canadian funds. ‡U. S. funds.

Broulan Gold Reports $10.36 Ton Average

In a statement to shareholders, covering the second quarter of 1943, Broulan Porcupine Gold Mines reports actual recovery as amounting to $325,765 from 31,435 tons milled. This, the statement says, represents an average of $10.36 a ton.

Estimated Broulan profit for the same period, after allowance for depreciation, deferred development and taxes, was $132,010 or 4.94c. a share. Estimated net profit for the first six months of 1943 was $260,075 or 9.6c. a share. This, the statement says, is considered to be much higher than may be normally expected due to the recovery being over 25% above mine average.

Net current assets, including stores and bonds, less current liabilities and accrued taxes, amounted to $513,651 or 19c. a share as of June 30 this year.

Broulan Porcupine Net Profit Up For 6 Mos.

Estimated net profit of $260,075, or 9.6c. a share is reported by Broulan Porcupine Mines for the six months ended June 30, 1943. This compares with $138,000, or 5c. a share in the first six months of 1942.

Recovery during the period was about 25% above the average grade of the mine's ore reserves, according to Bert W. Lang, president, and the profit for the period is, therefore, considered to be higher than might normally be anticipated.

Net current assets at June 30 amounted to $513,651, or 19c. a share.

Base Metals reports tonnage of lead-zinc ore milled during the second quarter was approximately the same as in the previous quarter. The labor situation, which became progressively worse throughout the period, prevented production at plant capacity. Estimated operating profit for the six months ended June 30, 1943, was $65,022.

What Company Reports Should Include—NYSE

Like The Financial Post, the New York Stock Exchange has long been pressing for more and better information in company reports.

A writer in a recent issue of the New York Stock Exchange Magazine gives the following as starting points from which any company report should be prepared:

1. The shareholder is entitled to all information, except that which would, if published, hurt his interest.
2. The shareholder is entitled to a management that is trying constantly to find out what he wants and what it can do to serve him.
3. The effort of management to inform the shareholder must be sincere.
4. The effort of management to inform the shareholder must be continuous throughout the year.
5. Management must realize that the shareholder is not possessed of the training and experience of a lawyer, an accountant, and a corporate executive, and must be addressed in language that says simply what it is intended to say.

The writer then lists 15 requirements which every report should fulfill:

1. Give disclosure that goes beyond the formal requirements and projects, figures and facts so that the actual picture can be seen.
2. Use plain talk throughout the statements and text. Not "Current Liabilities, $10,000,000," but "Current Liabilities: Notes and Loans Payable, $2,000,000; Accounts Payable, $5,000,000; Federal Income and Excess Profits taxes accrued, $1,000,000; etc."
3. Give comparable figures for three, and preferably more, years from statements of income and of surplus and the balance sheet.
4. Give clear, detailed description of the physical operations involved in running the business, stating what raw or semi-finished materials are used, where they are obtained and the manufacturing processes used in making the finished product.
5. Name products and tell how they are used.
6. Describe the effect of taxation with nothing withheld as to the implications of the war.
7. State the labor policy and describe the relations with employees. Tell about provisions for sick leave, retirement, vacations, employee schools.
8. Discuss relations with the public in the light of the company's function; its production of goods or services, and how it is performed.
9. Explain the scope of the accountant's work and the co-operation extended to him by the management. Principles of accounting applied in the consolidation of accounts should be stated.
10. Provide a brief, concise, financial summary of net sales, net profits, net income per share, total of taxes and the net per share figure, total dividends to common stock and also to preferred stock and the per share figure for each. This summary should be placed at the beginning of the report and be within the review of the year's operations signed by the president or chairman.
11. Tell how the business is helping to win the war. War censorship should not be used as an excuse to limit this information.
12. Use material selected and written with the purpose of informing the employee as well as the stockholder. Every employee should be given the annual report to stockholders. It is a good practice to state that the report was prepared "for the information of stockholders and employees." If there is an employees' publication, an occasional issue should go to stockholders.
13. Use pictures and color. They are particularly effective in describing relations with employees and in showing the scope of war work. Products and their uses can be vividly portrayed.
14. Have typography and lay-out well done. If not, the good effect of excellent material will be diminished.
15. Use paper and binding of a quality and type that will constitute a proper framework for the presentation of a year's hard work by management and employees.

Old Folks Get $25 a Month

War Gift to Pensioners Will Cost Federal Treasury $8.5 Millions

By STAFF WRITER

OTTAWA.—The $11.5 millions war gift to old age pensioners in Canada, agreed to before Parliament prorogued, has all the earmarks of a political benefaction hurried into the world by provinces which up till recently had been loathe to agree to any such commitment, according to political observers here.

The increased pension (if, as and when implemented by the individual provinces, means an extra $5 a month. The former maximum (so far as Dominion-provincial agreements were concerned) was $20, although average pensions in most provinces are considerably below this figure. The new "top" is $25 a month with Ottawa putting up 75% of the cost, if the provinces pay the balance.

According to Mr. Ilsley's statement, an offer by the federal government to increase its share of the pension had been on record since 1941. Important standouts to amending the act had been Saskatchewan, Ontario, Quebec and Prince Edward Island.

Sask. Ups Payment

Beginning July 1, Saskatchewan increased its payments by $1.25 a month. At the same date Ontario offered its pensioners a 15% bonus which for a person on the full previous rate ($20 a month) meant an extra payment of $3 a month.

The Financial Post is informed that Ontario officials expect the pension will shortly be increased to $28 a month, but to date no instructions to that effect have been received from Ottawa. The last cheques to be sent out included the 15% bonus only.

Then on July 12 the government received a letter from the Province of Quebec asking that the maximum pension be raised to $25. This was the eighth province to make such a request. A few days ago, Prince Edward Island (which really isn't very interested in the whole matter), agreed to make the request unanimous and pave the way for amendment of the federal act.

Since there was then no time to make a proper amendment the amount involved will be paid under special Order-in-Council for the duration.

The maximum additional cost to the federal treasury would be $8.5 millions.

Midwest Iron Mining Corp. has put down two further drill holes in its program of testing for high-grade iron ore in the Steep Rock area. Holes are being spaced a quarter of a mile apart and closer drilling will be done at any location where higher grade ore is indicated.

Hudson Bay Mining Earns $1.46 a Share

Share earnings of Hudson Bay Mining & Smelting Co. have been estimated as $1.46 for the six months ending June 30, 1943, according to a report to stockholders by H. E. Dodge, treasurer.

Total estimated net earnings, after deducting all operating costs, including administration, depreciation and taxes, but without provision for depletion, are stated to be $4,013,056.

CPR Net 24% Higher in Week

An increase of $1,222,000 or 24.4% in gross earnings is reported by Canadian Pacific Railway Co. for the week ended July 21, 1943, compared with the corresponding period of 1942.

The increase of 24.4% was the highest weekly increase reported in traffic earnings since the week ended Feb. 28, 1943, when the increase over the corresponding period of 1942 was 27.16%.

Gross earnings of $6.2 millions compared with $5.9 millions for the previous week and marked the third time in 1943 that earnings for a single week have passed the level of $6 millions.

Detomac Mines is reported planning development of fluorspar occurrences indicated on a recently acquired 100-acre property in the Madoc area, Ontario. Earlier work in the property is stated to have allowed shipment of 100,000 tons of fluorspar, taken from open cuts and from shaft sinking. It is hoped to reach the production and shipping stage within about three months.

Brazilian Net Shows Big Rise

A 19.1% increase in Brazilian Traction Light, Heat & Power net earnings in June, 1943, over the corresponding month of 1942 represented the sharpest increase in the continuous monthly increases since Oct., 1941, a 30.27% increase being recorded in that month.

Net earnings for the first six months of 1943 totalled $13.8 millions, an increase of $1.6 million or 13.5% over the first six months of 1942.

Gross earnings from operations for June were $4.4 millions, with $2 millions deducted for expenses, representing an increase in operating cost of approximately $176,000 from June, 1942. Gross earnings for the first six months were $24.9 millions or $2.2 millions more than 1942.

Bear Exploration & Radium Ltd. announces that George W. B. Webster, former president of Kerr-Addison Gold Mines, has been elected a director and has assumed the post of managing director of B.E.A.R.

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Wakefield ENGLISH MIXTURE

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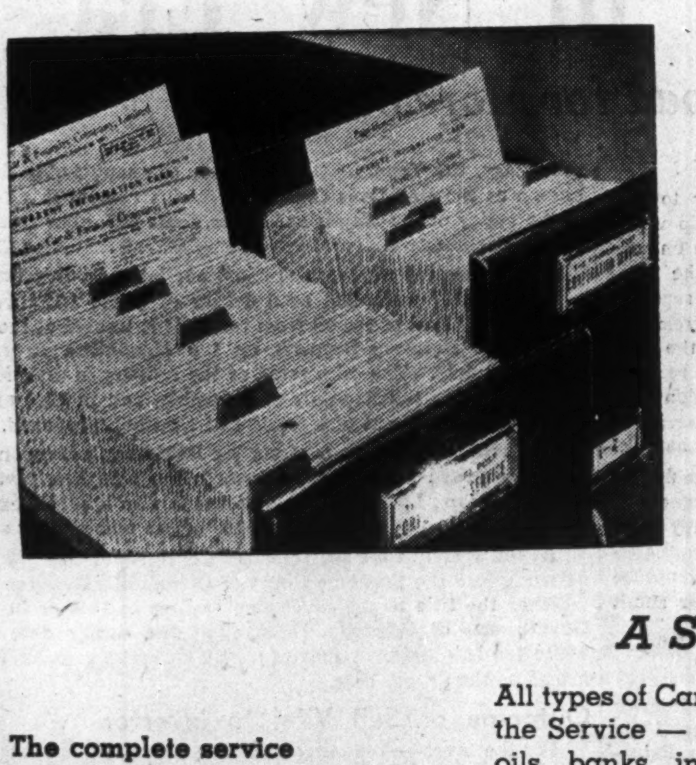

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IMPORTANT FACTS ON PULP & PAPER WAR EFFORT

HOW THE PULP & PAPER INDUSTRY HELPS PROTECT OUR HEALTH

IS PAPER ESSENTIAL? "The present war would come to an end in sixty days if we stopped the pulp and paper mills," stated Robert Porter of the United States War Production Board recently. "Paper takes its place along with steel, lumber, textiles." Canada has a right to be proud of this industry.

THE OLD ROLLER TOWEL ENCOURAGED THE SPREAD OF DISEASE; IT WAS A DANGER TO WORKERS' HEALTH. STRONG, HIGHLY ABSORBENT PAPER TOWELS PROTECT THE WORKER. THEY ARE ESSENTIAL TO MODERN INDUSTRY.

THE SANITARY PAPER DRINKING CUP IS ANOTHER IMPORTANT PRODUCT OF CANADA'S PULP AND PAPER INDUSTRY—IMPORTANT TO THE WAR EFFORT.

IN PEACETIME... CANADA'S GREATEST MANUFACTURING INDUSTRY

THE PULP AND PAPER INDUSTRY OF CANADA
972 SUN LIFE BUILDING MONTREAL

WPTB Head Stresses Need Stable Farm Prices

Farmers End Long Decade of Food Surpluses and Low Prices—Official Index Shows Prices Farm Products Up Average 43% Since 1939

When Donald Gordon, WPTB chairman, recently told western farmers that "there has been a definite improvement" in their economic position since beginning of the war he did much to dispel the long-held impression that he who tills the soil rarely, if ever, does more than just "break even."

Mr. Gordon was addressing important farm gatherings at Regina and Lethbridge.

Farmer Praised

According to Mr. Gordon, the farmer, while making "a splendid contribution to the war effort," has at the same time improved his own position materially.

The important place that farm prices hold in the nation's stabilization policy was emphasized by the speaker when he pointed out that farm prices affect prices of all other goods and services, as well as wages and salaries. For this reason, he said, stabilization of farm prices is essential, not only to the national cause during wartime but also because "the real interest of agriculture is best served by a long period of stable prices."

Decade of Low Prices

Before war broke out, the WPTB chairman said, Canadian farmers had reached the end of a long decade of food surpluses and low prices. In parts of the Prairie Provinces, he said, years of drought had further impoverished large sections of the community. Farm incomes had shrunk to "negligible amounts and farmers generally were in a position of economic inferiority compared with other sections of the population."

Today, observed the speaker, prices paid the farmer for his products "have not only risen substantially but new hope has been found in the fact that drought regions are no longer regarded as desert areas."

"In relation to products of other industries, or in relation to costs of farming, a very considerable improvement has been experienced," said Mr. Gordon. "The official index shows that prices of farm products on the average have risen 43% since 1939. If we leave wheat out of the calculation farm prices today, on the average, are 50% higher than they were in 1939, without allowing for subsidy payments such as current payments on butterfat."

Answers Critics

A further misconception dispelled by the WPTB head was that agricultural prices have been frozen at a "relatively" low level, as charged by critics of WPTB.

"In the first place," said Mr. Gordon, "farm prices had shown a very substantial improvement from the outbreak of war up to the time the price ceiling was imposed in the fall of 1941. Secondly, I think I am correct in saying that since institution of the price ceiling, more price adjustments have been granted on farm products than on anything else."

The speaker then reminded his audience that the price of beef cattle has increased by about one third since the price ceiling went on and by about 80% since the summer before the war. For those who feel defrauded because they cannot obtain the U.S. price for beef, Mr. Gordon added the warning that Canadian producers must realize they cannot expect to get American prices for their products unless Canada is prepared to allow all prices to rise to the higher American levels in which case, he said, "it would be necessary for everybody, including farmers, to pay the higher American prices for everything they buy."

Effect of Farm Price Increases

Even after full allowance is made for the seasonal nature of part of the increases in prices of farm products, Mr. Gordon pointed out, such increases are much greater than those which have occurred in prices of other commodities generally. He added that if "all the price increases granted on farm products had been allowed to affect consumer prices there would have been a substantial rise in the cost of living.

Effect of price increases in farm produce, on top of those which occurred prior to the ceiling, has been to carry the index of farm prices, except meat, to a higher level than the farmer enjoyed in the "prosperity" period of 1926-29. On that basis, he said, farm prices are now 7% higher.

Expenses Are Up

Looking at the other side of the picture, Mr. Gordon admitted that the farmer's expenses have gone up too. Wages of farm labor in Alberta, he said, show an average increase from $35 to $62 a month, plus board, between 1940 and 1942. There have also been increases in feed prices, equipment and supplies. On the whole, however, Mr. Gordon contended, the increase in farm living and farm operating costs have not risen nearly as much as his selling prices. In consequence, he pointed out, margin between income and expenses, which constitutes the farmer's net cash income, is almost double the prewar figure and "substantially higher than even in the boom days before the slump of 1929."

ADVERTISING MANAGER

F. LeB. Ross, formerly secretary to the president, has been made general advertising manager of the National Breweries Ltd., He succeeds W. T. Goodhugh, who is now general purchasing agent for the company.

Company Reports

Canada Bread

For the first time in its history Canada Bread is free of all bond and note indebtedness, C. H. Carlisle, president, states in his annual report to the shareholders. The company has set up a postwar rehabilitation fund of $100,000 and a contingency reserve of $100,000 against which there are no chargeable items.

The president warns, however, that rehabilitation of wartime-depreciated equipment, especially motor trucks, will involve large cash expenditures. In addition to the regular dividends on the preferred stock the company paid 10 cents a share on the common for the fiscal year ended June 30, 1943.

Net profits for the year amounted to $230,878 compared with $183,465 the previous year. A considerable improvement was also shown in the working capital position of the company with an increase from an excess of current liabilities over current assets of $64,480 to a working capital of $230,427. Cash on hand and in banks at the end of the year was $270,341.

Income, Surplus—Years Ended June 30

	1943	1942
Operating profit	$790,493	$561,948
Add: Int. on invest.	2,982	2,589
Net earnings	793,475	564,537
Less: Depreciation	317,597	256,429
Invent. reserve	20,000	......
Interest	......	2,643
Inc. & E. P. taxes	*225,000	122,000
Net profit	230,878	183,465
Less dividends:		
6% pref.	75,000	75,000
5% pref. (B)	62,500	62,500
Common	20,000	......
Surplus for year	73,378	45,965
Add: Prev. surplus	545,072	499,107
Ref. portion E.P.T.	6,500	......
Less: To conting. res.	15,000	......
Earned surplus forw'd	609,950	545,072

*Includes $6,500 refundable E.P.T.

	1943	1942
Earned per share:		
Pref.: Class A	$18.47	$14.68
Paid	6.00	6.00
Class B pref.▲	3.94	3.02
Paid	2.50	2.50
Common	0.28	0.17
Paid	0.10	nil

▲Taking participating feature into account.

	1943	1942
Working capital	$230,427	■$64,480

■Excess of current liabilities over current assets.

Hallnor Mines

Earnings of 15c. a share are shown by Hallnor Mines for the first six months of 1943, compared with 25c. in the same period last year. Rate of recovery per ton was down to $14.32 compared with $17.31 the previous year.

The report states that two holes have been drilled below the 2,160-ft. level, in addition to the six holes previously reported. Sufficient information is now available to confirm the presence of commercial ore over a length of some 600 ft. at the west end of the property and at a depth of about 600 ft. below the level. Development must await further improvement in labor conditions.

Operating Statement—Six Months Ended June 30

	1943	1942
Tons milled	56,042	68,287
Recovery per ton	$14.32	$17.31
Gross production	$802,354	$1,182,227
Less: Oper. expense	281,454	375,563
Tax reserve	122,300	206,500
Operating profit	398,600	600,164
Add: Other income	24,716	17,066
Net earnings	423,316	617,230
Less: Depreciation	81,000	82,000
Pre-oper. exp. w/o.	42,000	42,000
Est. net profit	300,316	493,230
Earned per share	$0.1501	$0.2466

Standard Fuel

While a long and severe 1942-43 winter created major delivery and other problems, Standard Fuel Co. sold a quantity of coal stated to compare favorably with the previous year and showed a higher net profit for its fiscal year which ended April 30, 1943.

Net earnings were shown on the common stock for the first time in many years after allowing a 6½% rate on the preferred stock against the 4% rate actually paid.

Net profits would have been increased much further but for sharply higher taxation of profits, President J. Herbert Milnes declares. With U. S. A. coal production conditions "intensified by threats of further demands from mine employees," prospects for securing adequate and suitable supplies of fuel this coming winter are viewed as uncertain.

Income & Surplus—Years to April 30

	1943	1942
Operating profit	$262,872	$209,673
Add: Other income	3,242	3,611
Total earnings	266,114	213,284
Less: Exec. remuner.	37,750	35,500
Directors' fees	2,000	2,250
Depreciation	49,996	55,382
Inc. & E. P. taxes	98,393	54,590
Net profit	77,975	65,562
Less: Pref. divids.	46,240	46,240
Surplus for year	31,735	19,322
Add: Prev. surplus	241,049	231,383
Less: Equip. w/o	......	9,656
Surplus forward	272,784	241,049
Earned per share:		
Preferred	$6.75	$5.67
Paid	4.00	4.00
Common	0.06	d0.19
Paid	nil	nil
Working capital	$1,037,492	$903,893

Dominion & Anglo

Report of Dominion & Anglo Investment Corp. for the year ended April 30, 1943, shows a decline in gross and net income, but an improvement in market value of portfolio. Net liquidating value, states Arthur F. White, director, ended the year at $2.1 millions compared with $1.6 millions the year before, rise of approximately 33%. As a result net asset value of the preferred stock rose to $166.70 per share and that of the common to $84.86 per share.

Income, Surplus—Years Ended Apr. 30

	1943	1942
Invest. income	$121,922	$128,536
Less: Officers' remun.	5,472	5,500
Directors' fees	1,250	1,250
Legal fees	50	15
Pension fund	478	......
Interest	20	94
Other	3,721	3,735
Net earnings	110,931	117,942
Less: Can. inc. tax	1,225	2,143
U. S. inc. tax	3,386	3,282
Net profit	106,320	112,517
Less: Dividends, pfd.	63,610	63,662
Common	40,000	40,000
Surplus for year	2,710	8,855
Add: Prev. surplus	64,464	53,609
Surplus forward	67,174	64,464
Capital Surplus		
Previous surplus	$312,547	$332,398
Add: Profit on sales	......	14,630
Prof. on red.	......	5,658
Less: Loss on sales	6,691	......
Book value w/o	......	40,139
Surplus forward	305,856	312,547
Earnings: Pfd.	$8.36	$8.84
Paid	5.00	5.00
Common	4.27	4.86
Paid	4.00	4.00
Balance Sheet Items		
Investments:		
Book value	$2,016,131	$1,987,267
Market value	2,172,417	1,615,506
Cash	4,654	38,372
Total liabilities	57,473	58,752

Corporate Investors

A marked gain in market value of investments, and an increase of 2,600 in the number of shares issued and outstanding are the features of the report of Corporate Investors Ltd. for the year ended Apr. 30, 1943. Market value, which last year was 3¼% below the book value of securities, had this year recovered to 14% above the book value.

In both years the company has continued its policy of writing all income from gold shares above 5% of the purchase price into the investment reserve. In addition the depletion allowance on oil and base metals mining securities, together with cash received in payment of arrears of preferred dividends, is similarly written into reserves.

Portfolio, based on cost of the securities, has been shifted moderately, placing more emphasis on bonds and preferred, and less on common stocks, than last year.

Income, Surplus—Years Ended Apr. 30

	1943	1942
Invest. income	$68,776	$71,217
Less: Exec. remun.	2,500	2,500
Directors' fees	2,646	2,638
Gen. expense	4,800	4,811
Interest	81	516
Income taxes	1,261	2,391
Net profit	57,488	58,361
Less: Dividends	50,105	48,245
Surplus for year	7,383	10,116
Add: Previous surplus	26,744	30,540
Tax adjust.	604	......
Less: Gold shs. w/d	1,645	2,116
Invest. reserve	3,016	6,410
Addi. 1941 divs.	......	5,386
Earned surplus forw'd	30,070	26,744
Earned per share:		
Common	$0.31	$0.32
Paid	0.27	0.26
Assets value per share	5.87	5.10
Balance Sheet Changes		
Invests.—book value	$964,113	$956,195
Do., market value	1,096,131	924,400

Portfolio Breakdown

	1943 %	1942 %	1941 %
Bonds	5.04	4.66	17.03
Preferred	33.76	31.74	25.75
Common	61.20	63.60	57.22

Quebec Power

Gross revenue of the Quebec Power Co. for the six-month period ended June 30, 1943, was $2,085,528. This was $82,000 higher than in the previous year. Operation, taxes and other expenses at $1,075,991 in 1943 compares with $1,016,200 in 1942, an increase of $59,792. After deducting fixed charges of $243,290, which were $2,550 lower, and after making provision for depreciation of $225,000 compared with $150,000 in 1942, the net profit subject to income and profits taxes was $541,246 as against $591,488 in 1942.

Statement of Revenue and Expenses Six Months Ended June 30

	1943	1942
Gross revenue	$2,085,528	$2,003,528
Oper., taxes & other exps.	1,075,991	1,016,200
	1,009,537	987,328
Fixed charges	243,290	245,840
	766,247	741,488
Prov. for deprec.	225,000	150,000
Net profit subject to income & profits taxes	541,247	591,488

Dome Mines

An estimated net profit of $1,530,784 is reported by Dome Mines for the first six months of 1943, compared with $1,494,010 for the corresponding period of 1942. Though tons milled were lower in the 1943 period, and gold recovery per ton less, the increased profits resulted from a decrease of over $300,000 in development and operating costs, which amounted to $4.242 a ton.

Estimated Earnings—Six Months Ended June 30

	1943	1942
Bullion production	$2,943,098	$3,452,659
Less: Devel. & oper.	1,119,439	1,432,089
Tax provision	585,984	657,955
Depreciation	54,720	54,350
Outside expr. w/o	18,000	12,000
Operating ncome	1,164,955	1,296,265
Add: Other income	365,829	197,745
Est. net profit	1,530,784	1,494,010
Earnings per share	$0.79	$0.77
Production:		
Tons milled	263,900	292,300
Fine oz. gold	76,302	89,498
Recovery per ton	$11.15	$11.81

We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Depreciation on Houses

I have recently acquired some houses for the purpose of renting them. Some of these are frame and some are brick. Am I allowed anything for depreciation for income tax and to what extent?

Yes, you are allowed to deduct depreciation from your rental income. The rate allowed is 5% of the cost on frame buildings and 2½% on buildings of brick, stone or brick veneer.

Stock Dividends

Are stock dividends from Canadian corporations subject to income tax?

Yes. They should be included in your income tax return as income received. The amount you include would be the amount transferred from surplus to capital stock account in respect of the shares you received as a dividend. The company which pays the stock dividend usually advises its shareholders of the amount to be reported as a dividend for tax purposes.

INVESTMENTS

Canada Foundries

Recently we received literature advising the purchase of Canada Foundries & Forgings A stock for both profit and long-term income. How do you size up the situation?

The past record of Canada Foundries & Forgings Class A common stock shows that since, and including 1940, the company has paid $1.50 in dividends annually. Earnings in 1942 were equal to $2.88 per share after allowing for the participating feature of the class B; while earnings in 1941 were equivalent to $2.50 and in 1940 $1.94, an equal amount having been earned in 1939. In 1938, the company earned $1.09 on this class of stock; $2.41 in 1937 and $1.04 in 1936.

From 1931, there were no payments until 1937 when $1 was paid followed by a payment of $0.50 in 1938. There were no dividends in 1939 and the $1.50 rate was resumed in 1940 and has been continued since.

Market action of the class A stock has recently taken it to approximately the 1929 high of $28. The low point in the depression was $2 which occurred in 1932, 1933 and 1935.

It is difficult to state how the company will fare during the post-war period. After the last war dividends were continued until the first quarter of 1921. Manufacturing furnaces, heating and air-conditioning units, lawnmowers, pumps, school desks, automobile forgings, and general hardware in peacetime, the company has seen a tremendous expansion during the war due to heavy war orders. It is impossible at this time to predict the full effect of the changes made during the war on this type of industry.

Undoubtedly, there will be a large demand for replacement goods after the war which should keep companies of this nature fairly active for some time. But for the longer run the outlook appears entirely dependent on the level of activity in the industry and the company's ability to maintain its competitive position.

Electrolux Corp.

Would you kindly brief for me the present position and outlook for Electrolux Corp.? Is the present price relatively high or low for this issue?

The common stock of Electrolux Corp. is currently quoted at around $9, a sharp advance from the low of $5⅝ this year and $2½ in 1942. The prospect for dividends in the immediate future is unlikely, state officials.

Although the company completed retooling for war work during 1942, this change has not as yet been reflected in earnings statements. During the first quarter of 1943 a net loss of $134,682, equivalent to 11c. per share, was reported. It is to be presumed that these losses will not continue after the company hits its war production stride, but there is no measure by which to gauge what profit may be earned for the rest of the war.

As with many other companies in the household appliance field, Electrolux can probably look for a sharp return of activity when it is again permitted to produce vacuum cleaners. This field is, however, highly competitive and it should be pointed out that ever since 1936 operating earnings have been trending downward. It is thus very difficult to make any long-run predictions as to the position of the company.

Imperial Tobacco

Is it true that Imperial Tobacco Co. is having difficulty maintaining its working capital? What effect, if any, might this have on ability to pay dividends? What about the preferred stock and debentures?

Reduction in the working capital of Imperial Tobacco Co. of Canada appears to have been largely due to increased investments in the form of advances to subsidiary companies. This expansion has involved an increase in the total of advances from $13 millions in 1939 to a current figure of $19.3 millions. The company's report does not state the purpose of these increased advances, but it is apparent that they have been necessary to supply capital for the increased operations needed to handle the great growth in wartime demand.

There has been a parallel increase in the inventories on hand which totalled $13.2 millions at the end of 1939 against $20.3 millions at the end of 1942.

This expansion has apparently proved profitable as far as operating profits are concerned, since the operating profits for 1942 total $9.8 millions against $6.9 millions at the end of 1939.

Unfortunately the increase in operating profit has been more than balanced by the increase in income taxes, with the result that even though the allocation for depreciation has been cut in half, the net profits have fallen and it has been necessary to reduce the final dividend payment on the common in the last two years. It should also be noted that the new rate of income and excess profit taxes has only been in application for half of the 1942 year. For 1943 higher taxes and again a lower net profit can reasonably be expected.

The effect of adding the new $10 millions of sinking fund debentures should have very little influence on the earnings of either the common or preferred so long as taxes remain at their present level. The interest charges will be deducted before excess profit taxes, and with earnings apparently already running well into the excess tax zone, these additional interest charges should have very little effect.

Amic to Acquire Another Company

An announcement is expected shortly of acquisition by Amic Mica Mines of another Canadian mica company which has been in the mica manufacturing business for 30 years with plants located in Canada and the United States, The Financial Post is informed.

When the amalgamation has been completed, Amic will be the largest mica mining and manufacturing company in Canada, it is stated.

Two good veins are reported uncovered at the recently-acquired Simard mine of the company. A cutting and triming shop is already in operation in a town 10 miles from the mine.

1943 Mines Handbook Ready For Investors

Results of a year of major changes in the mining industry are shown in the 1943 edition of the Canadian Mines Handbook. Since the publication of the previous edition many companies have disappeared from active operation and nearly 200 new corporations have been formed.

Details of the organizations of both old and newly formed companies are given in the handbook, and earnings of operating companies reviewed. The book lists 6,300 companies compared with 6,060 in the previous edition.

The Canadian Mines Handbook is published by the Northern Miner Press Ltd., Toronto; price $1 (paper covered), $2 de luxe edition.

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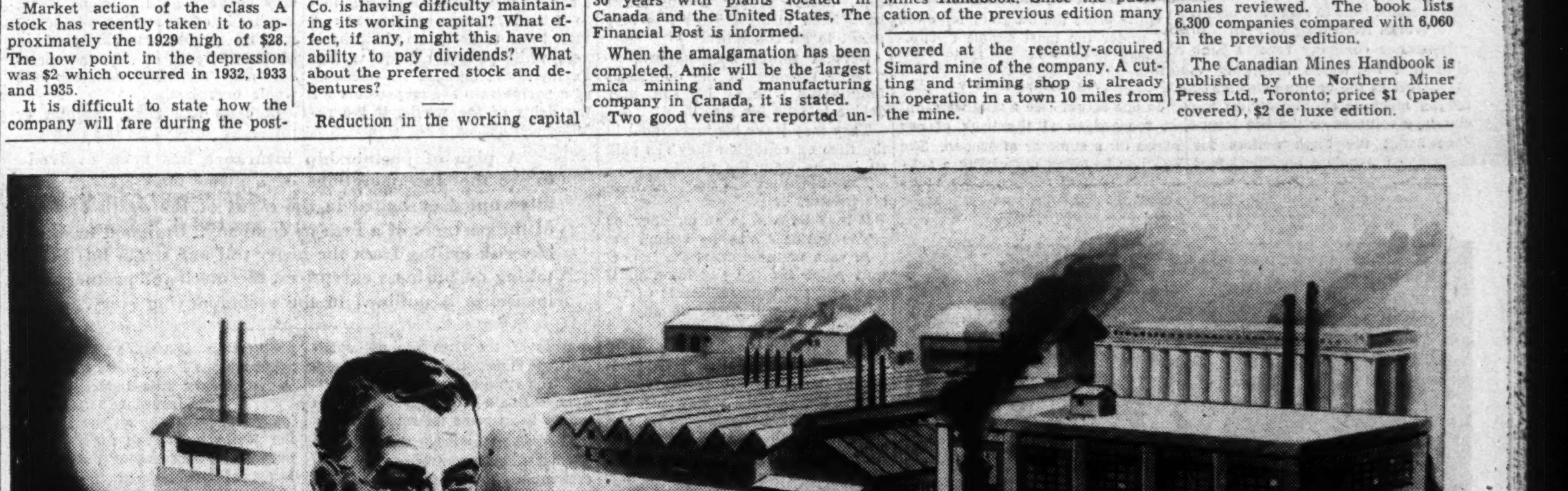

COMES JANUARY 1953

THE war an evil memory—the wheels of industry humming again in peacetime activity. What, then, will be the production potentiality of *your* plant?

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Insurance

Holidays — Burglars' Harvest Time

Vacant Homes Invite Break-ins — Burglar Insurance Grows

Contrary to general belief, periods of full employment and general prosperity are often accompanied by an increase in the number of burglaries. Professionals apparently find the pickings better when times are good, and so become more active.

For this reason, and because many people have more valuables on their premises than formerly, public interest in residential burglary insurance is stated to be increasing. Protection may be had either under a straight burglary policy or through the Personal Property Floater contract. As the latter gives protection against fire and other hazards as well as burglary, a great deal of burglary insurance is written in that form.

Vacation Time, Harvest Time

Many householders, considering taking out burglary insurance in one form or another, have had their decision hastened by the fact that the vacation season is approaching its height.

While the professional burglar is on the job all the year round, summer and the vacation season give him especially good opportunities. Open windows and unlocked doors invite him to enter, while vacant houses and apartments when the whole family is away enable him to make use of information he may have been gathering for months back.

Insurance will not prevent the burglar rifling the house but it will indemnify the owner against loss. Consequently the demand is increasing.

The modern burglar works in a scientific way. Dickens, through Bill Sykes, pictured the burglar as a strong-arm sort of individual, depending largely on physical force. But the 20th century burglar works along different lines. Investigations have shown that, whether working alone or in gangs, he works in a businesslike way, preparing lists of prospects, filing information on families with goods worth stealing, what precautions are taken for their safety, where they are kept and the best time to stage a robbery.

Works According to Plan

Insurance company records indicate that he works according to plan. Just as the vacuum cleaner or sewing machine agent watches the marriage columns or the life insurance agent the birth notices for leads, the up-to-date burglar keeps an eye on the daily papers, especially the society columns to see what families are going out of town, or what wealthy guests may be coming to visit. Descriptions of women's attire is watched carefully to learn what women wear expensive jewellery or furs at social functions and where they keep them.

Burglars usually like high value concentrated in small volume. Accordingly, their taste runs to such things as money, jewellery, solid silverware, expensive paintings and curiosities, clothing, furs and liquor. More recently articles that are getting hard to obtain, such as typewriters and radios, have become popular with them.

Weddings and Funerals

Weddings and funerals in well-to-do families are carefully noted.

When a funeral service is conducted at a church or undertaking establishment and the whole family is likely to be in attendance, or if the whole family goes to the cemetery, the burglar gets a wonderful chance to work undisturbed. Not only is the afflicted family likely to suffer, but friendly neighbors who may be attending the funeral as well. In one case an insurance company had four claims in one week for indemnity under burglary policies where losses had been sustained while families were away at funerals.

The same situation often arises at weddings.

Teas and Bridges

Women's teas and bridge parties are also times when a burglar may visit the premises. With attention of the household diverted elsewhere, he has a good opportunity of going through the ladies' coats and handbags for valuables.

Payday of firms which pay their employees in cash is also watched, as the employee often takes the money home before depositing it in the bank.

Quite frequently a summer widower answers his telephone only to have the party at the other end hang up or ask for somebody who does not live in the house. Chances are it is someone trying to find out if anybody is home.

Quite often the burglary is pulled off under the most simple circumstances.

An Actual Case

In one actual case a lady went out in the garden at the back of her house on a summer afternoon. She left her handbag containing a substantial sum of money, some valuable rings and some small purchases on the dining room table. Her daughter was upstairs and she never thought there was any danger. A sneak thief entered by the side door and took everything he could conveniently carry.

The mother, looking in from the garden, saw him moving about the room and thought it was the daughter. The daughter upstairs heard him but thought it was the mother. This was an actual case, but probably has been duplicated many times.

Burglary insurance policies can be had in a number of different plans giving different degrees of cover. In some cases the indemnity is limited to 20% of the face value of any one article. Because of the wide protection given by the Personal Property Floater, however, agents report it to be increasing in popular favor.

In the world of metals, women workers are no longer a novelty, even where the duties are of the heaviest. This feminine team is operating a cupping machine.

Insurance Sales $280.9 Millions

Reflecting peak employment all over the Dominion, new ordinary life insurance sales in Canada and Newfoundland, for the first six months of 1943, totalled $280.9 millions, compared with $238.8 millions in the first six months of 1942.

These sales are based upon the operations of 18 companies representing 86% of the new ordinary life insurance in Canada and Newfoundland, and are for new settled-for ordinary insurance, exclusive of increases, revivals, dividend additions, reinsurance acquired, pension bonds without insurance, annuities, and group and wholesale business.

Sales for June	1943
British Columbia	$4,184,000
Alberta	3,036,000
Saskatchewan	1,919,000
Manitoba	2,546,000
Ontario	22,221,000
Quebec	13,981,000
New Brunswick	1,440,000
Nova Scotia	2,103,000
Prince Edward Island	297,000
Newfoundland	748,000
	52,475,000
Six Months:	
British Columbia	$20,993,000
Alberta	15,493,000
Saskatchewan	8,843,000
Manitoba	15,154,000
Ontario	120,712,000
Quebec	74,521,000
New Brunswick	7,820,000
Nova Scotia	11,658,000
Prince Edward Island	1,561,000
Newfoundland	4,120,000
	280,873,000

Canada Life Award Given R. A. Sanderson

R. A. Sanderson, manager of the Vancouver Branch, Canada Life Assurance Co., is the current winner of the President's Award, the highest honor a Canada Life manager on this continent can earn.

Mr. Sanderson's association with the Canada Life dates back to 1922; he was a member of its Home Office staff until Dec., 1940, when he moved to the west coast to take over management of the Vancouver branch. For seven years prior to 1940 Mr. Sanderson had been a member of the Agency Department, serving as agency assistant and agency supervisor.

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Mutual Insurance Company
—ORGANIZED IN 1896—
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Branches at Vancouver, Edmonton, Saskatoon, Winnipeg and Montreal.
2,000 Agents Across Canada.

The Dominion Life Assurance Company
Since 1889
HEAD OFFICE WATERLOO ONTARIO
BUSINESS IN FORCE OVER $200,000,000.

New Books

Handbook is Out

OIL & PETROLEUM YEAR BOOK. Published by Walter E. Skinner, London, Eng. Price 13s. 6d., post free.

The 1943 edition, the 34th year of issue of this standard reference work, has just been published. Complete and up-to-date particulars are given concerning 532 companies covering all branches of the oil industry. American and foreign companies are fully dealt with.

The particulars of each company comprise names of directors and other officials, seat of operations, description of business, details of capital, dividends, and financial results.

The many changes that have taken place since the last issue are recorded in its pages, and with the present difficulty of obtaining reliable information concerning oil companies, the book is particularly valuable for all interested in this important industry. Other useful features are, the names and addresses of 215 managers and engineers and the names of the companies in the book with which they are connected, and a Buyers' Guide to Manufacturers of oil field and refinery equipment, comprising 299 headings.

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● Why not let us keep your war-bonds here in our vaults, and clip the coupons for you? We have a regular system for taking care of bonds on their interest-due dates. It would save you a lot of bother. Your account will be credited with the amount due on the date named. The charge is nominal — 25¢ per annum for bonds up to a value of $250. . . . one tenth of one per cent. for larger amounts.

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Life Insurance

Partnership Policy an Asset

Helps Firm When Partner Dies—Needed in Wartime

A plan of partnership insurance has been evolved to see that the operations of a given business are not interrupted or halted in the event of the death of one of the partners of a firm or company. Designed to meet any risk arising from the heavy toll war strain has been taking on business executives, the merits of partnership insurance is outlined in the accompanying story.

When one partner in a business dies, unless proper arrangements have been made, serious loss may result to all concerned.

Several things may happen.

Some member of the deceased's family—his wife or his son—may decide to take his place.

They may leave his investment in the firm on condition they are paid an income from the profits.

The other partners may buy over his interest or

It may be sold to an outsider, or

The business may be wound up.

In each of these cases the important point for the surviving partners and the representatives of the deceased is—will there be any financial loss?

Widow Carries on

The simplest solution perhaps is where the deceased's family represented by, say, his widow, decides to carry on. If she is capable and knows something about the business, everything may be all right. Then if she decides to leave her husband's investment in the firm, on condition it pays her an income, the question is, will the other partners, without her husband's assistance and advice, be able to pay her the income to which she is entitled.

More frequently, however, the widow wants to sell out. The problem then is, can the other partners pay her for her interest? If she is unreasonable and demands immediate settlement she may force liquidation which will mean loss to all concerned.

Looking at it from the angle of the surviving partners, this may be a serious problem. Especially is this so if their finances are limited and they have to carry on their business while paying off the widow. Furthermore, because all members of a partnership are responsible for the debts of the whole, if the resources of the firm are not sufficient to meet liabilities, creditors may seize the assets of each individual. Death of a partner often makes them press for settlement.

Then in many cases the deceased partner might have special qualifications, the loss of which would be a serious handicap.

Retail Merchants

For instance, in a certain firm of retail merchants in an Ontario town, one partner had capital but no business experience. The other was a capable businessman but lacked sufficient capital. Together they made a successful firm and built up a profitable business, profits being shared equally. The death of the businessman left the other partner in a bad way until he was able to get somebody else into the firm.

Then in a law firm, one partner may be very good in court work, another in office routine, another at meeting people and bringing in business. Death of any one member may seriously handicap the whole organization.

In cases like these, business or partnership insurance will often avert serious loss.

Ordinary Life Insurance

Partnership insurance is just ordinary life-insurance on the lives of the partners designed for a certain purpose such as buying out the interest of the insured if he dies. There are two ways to do this.

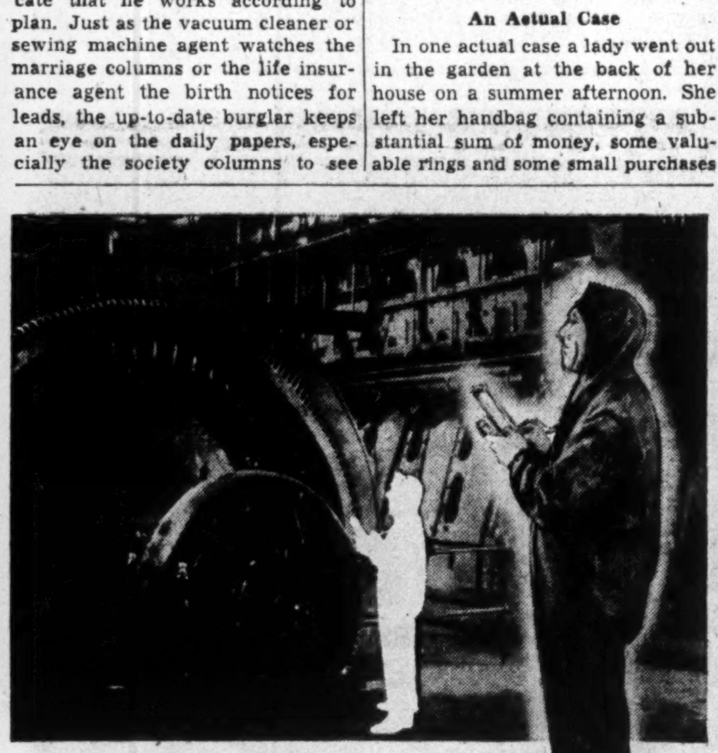
One is for each partner to take out an insurance policy on his own life and assign it to the other partners to be used by them for buying out his interest. The second is for the partners to take out third party insurance on each other's lives, the proceeds again being earmarked for a specific purpose. Sometimes it may be desirable to create an insurance trust whereby the proceeds of a policy on any one of the partners would be administered by a trust company for the purpose indicated.

Insurance will not replace a valuable partner, but it will provide finance to take care of any indebtedness of the firm and will give time to all concerned to recover from the shock and make arrangements for the future.

Banks Like It

It is also a good thing to have even when all partners are still living as banks are more willing to lend money if they know provision of this kind has been made.

The strain of business in wartime takes heavy toll of business executives, yet in many cases it is more important than ever that operations be carried on without interruption. Partnership insurance is a means whereby this necessity can be met more easily.



Put the *TROUBLE FINDER in the Picture of Your Power Equipment

WHO is the Trouble Finder?

He is not one man, but a whole corps of trained experts who spend their time warding off accidents to power plant equipment insured with The Boiler Inspection Company.

You automatically retain his services when you insure your boilers, generators and other power and pressure equipment with The Boiler Inspection Company.

For nearly 68 years this Company's engineering staff has specialized in the study of power and pressure equipment safety. Its field force and its Head Office and Branch Office engineers have a background of constantly accumulating knowledge possessed by no other similar institution in Canada. This knowledge is automatically applied to your plant when your equipment is insured with The Boiler Inspection Company. It reduces accident possibility to a minimum.

The plus value of this preventive service is a reason why more than half of all engineering insurance premiums paid to the 23 companies writing this type of insurance in Canada is paid to this Company alone.

Ask your agent or broker for full particulars of The Boiler Inspection Company.

THE *TROUBLE FINDER
The Trouble Finder symbolizes the idea that prevention is better than cure. This idea is the dominant idea in engineering insurance written by The Boiler Inspection Company.

The Boiler Inspection and Insurance Co. of Canada

Drop in Bank Bond Holdings

Short Term Securities Decline $13 Millions, States Bank of Canada

A decrease of about $13 millions in holdings of Dominion and Provincial Government short term securities was shown by the Bank of Canada statement for the week ended July 28, 1943, the major change on the liabilities side being over $18 millions decrease in deposits of the chartered banks.

Holdings of other government securities showed an increase of some $2.5 millions and Dominion deposits increased $3 millions. Note circulation was up $5 millions and miscellaneous assets showed a substantial decline.

Liabilities	July 28 1943	July 21 1943
Capital paid-up	5,000,000	5,000,000
Notes in circulat'n	773,064,059	768,004,008
Rest fund	6,472,953	6,472,953
Deposits: Dom.	62,220,381	59,195,056
Banks	276,089,667	294,392,376
Other	14,035,054	17,143,269
Total deposits	352,345,103	370,730,701
All other liabs.	10,803,468	11,685,693
Total liabs.	1,147,685,583	1,161,893,355
Assets		
In Sterling & U.S.	478,634	478,634
Subsid. coin	196,266	157,774
Investments:		
Dom. govt. sh.	799,251,529	812,104,460
Other Dom. govt.	332,411,652	329,942,948
Total invest.	1,131,663,181	1,142,047,408
Premises	2,101,277	2,106,144
All other assets	13,246,226	17,103,395
Total assets	1,147,685,583	1,161,893,355

Canadian National Railways announces transfer of William Carr, formerly district freight claim agent at Vancouver, to a similar post in Toronto. Mr. Carr succeeds J. W. Connell, who has retired on pension.

Expropriation Upheld On Porto Rico Ry.

Expropriation of the properties of Porto Rico Railway, Light & Power Co. by the U. S. Federal Works Administrator under the Second War Powers Act has been upheld by the Federal District Court in Puerto Rico.

The Court, however, ordered that an accounting be made of profits received from July 20, 1942, to date on which possession was taken under the Lanham Act, to Dec. 20, 1942, the date proceedings were commenced under the Second War Powers Act. The company has filed an appeal with the United States Circuit Court of Appeals in Boston.

Steel Company of Canada reports a decline in steel ingot production of 2% for the first six months of 1943, compared with a decline of 6% in total Canadian production, Ross H. McMaster reports to the shareholders. The drop was due to inability to maintain the company's labor force and to the heavy turnover of new employees. Output of finished rolled steel was higher due to the reduced shell forging operations of Ontario Forgings Limited, the company's subsidiary. Control regulations resulted in a drop in sales of 6%. A new 70-ton electric furnace is now in operation, and though deliveries of ore and coal are below receipts of last year, every effort will be made to regain the lost ground, the president states.

Base Metal Mining Corp. Ltd.—Estimated operating profit for the six months ended June 30, 1943 was $65,022, according to a report to the shareholders. Tonnage of lead-zinc ore milled during the second quarter of 1943 was approximately the same as in the first quarter, the report states. The labor situation became progressively worse in 1943 and prevented production at plant capacity.

THE LONDON & LANCASHIRE INSURANCE CO. LTD.
ABSOLUTE SECURITY
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Manager

FIDELITY
Insurance Company of Canada
TORONTO

Fitness and health in wartime is the subject of an important booklet just issued under the joint auspices of the Life Assurance Companies of Canada and the Canadian Medical Association. Extensive information is given on the scientifically balanced rations of the Royal Canadian Air Force and other branches of the Armed Services, including listing of food constituents essential to maintain stamina, alertness, robust health and all-round efficiency.

Free—
The booklet is free. It is illustrated in full colour. It gives complete vitamin values of typical meals. Get it today from any Sun Life representative or write to:—
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The foods served to all members of the R.C.A.F. are of vital importance in maintaining the high standards of health and efficiency this exacting service demands. . . . Now, this timely and valuable information is published for the benefit of all Canadians; for today, proper food is a weapon of war — vitally essential to the good health of all our Armed Forces — all our civilians.

S. L. deCarteret
Deputy Minister of National Defence for Air.

SUN LIFE OF CANADA

Northern Distances Vanish BY AIR
Canadian Pacific AIR LINES
the Wings of THE WORLD'S GREATEST TRAVEL SYSTEM

HOLIDAY FOR HEALTH
AT HIGH POINT in the Laurentians
The LAURENTIDE INN
STE AGATHE DES MONTS QUEBEC CANADA

Deposits Begin Recovery After Victory Loan Drop

Deposits to the Public Recover by $137 Millions — Easing of Banks' Position After Demands of the Loan is Evident

After the major changes which resulted from the fourth Victory Loan, public deposits in the chartered banks show an increase for June of about $137 millions compared with the previous month's drop of $542 millions, thus maintaining the recovery strength shown by this item in the past.

Offsetting this, liabilities to the Dominion government in the form of deposits decreased some $200 millions, and liquid assets, composed of coin, Bank of Canada notes and Bank of Canada deposits, and Dominion short and long term security holdings, decreased by some $62 millions.

Major changes consisted of decreases of $15 and $13 millions in foreign deposits and Provincial government deposits respectively, and a decrease in loans and securities other than of the Dominion of $6. This latter figure includes a further increase in call loans of over $8 millions and a decrease in current loans, which rose nearly $250 million due to the Victory Loan, of $5 millions. These were largely offset by an increase of $34 millions in inter-bank balances.

Use of Bank Credits
(In Millions of Dollars)

	June 1943	May 1943	Change	June 1942	Change
Loans	1,255.9	1,256.4	—0.5	1,164.9	+91.0
Investments	2,687.2	2,727.5	—40.3	1,883.0	+804.2
Total	3,943.1	3,983.9	—40.8	3,047.9	+895.2
Deposits	3,321.1	3,183.9	+137.2	2,887.3	+433.8
Credit index*	35.8%	37.2%	—1.4%	37.3%	—1.5%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

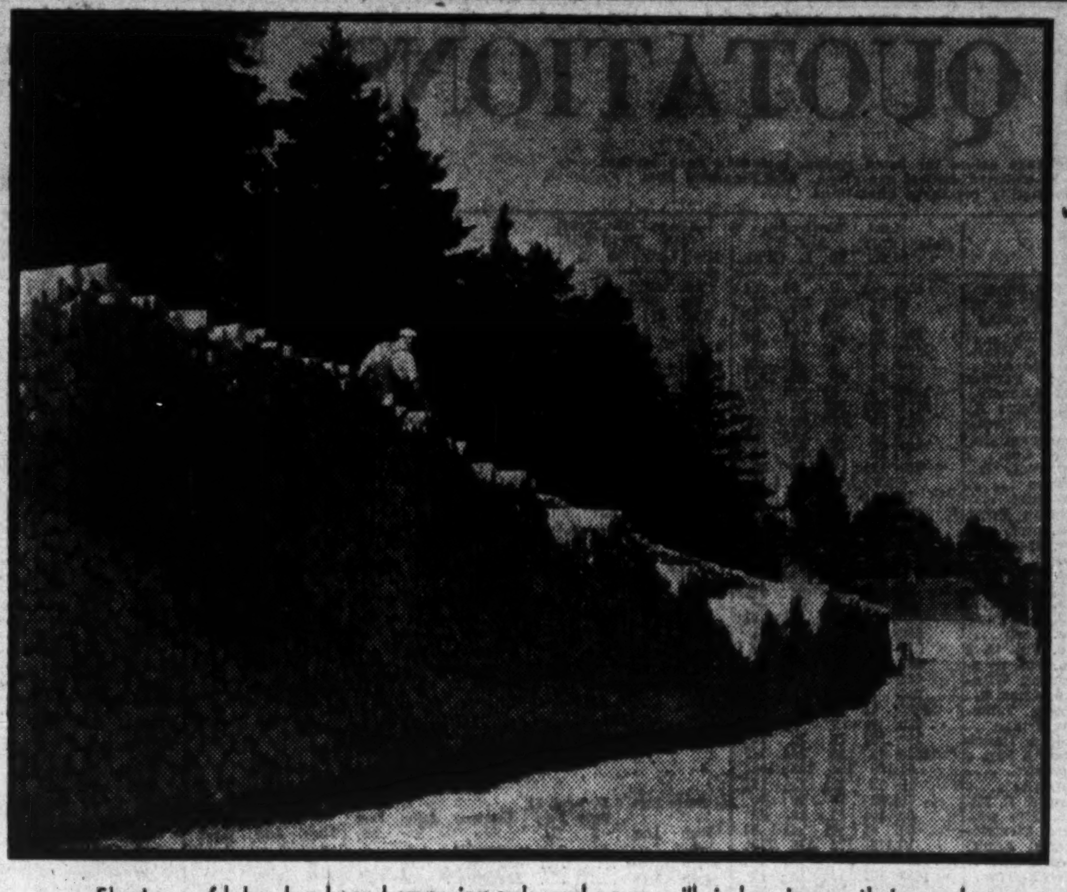
ASSETS

	June 1943 $	May 1943 $	Change $	June 1942 $	Change $
Immediately Available Liquid Assets					
Canadian coin	6,785,793	6,840,193	—54,400	6,485,346	+300,447
Bk. of Can. notes	113,394,098	121,951,648	—8,557,550	99,037,423	+14,356,675
Bk. of Can. depos.	301,113,488	313,132,308	—12,018,820	221,404,211	+79,709,277
Bank's cash	421,293,379	441,924,149	—20,630,770	326,926,980	+94,366,399
Other bank's notes	1,186,226	1,354,054	—167,828	2,529,264	—1,343,038
Gold sub. coin abd.	2,869,443	2,692,575	+176,868	2,840,021	+29,422
Foreign banks	203,771,832	191,681,306	+12,090,526	180,788,249	+22,983,583
Foreign currency	65,463,901	56,781,463	+8,682,438	44,711,082	+20,752,819
Gov. sec. sht. term	1,566,211,254	1,581,188,741	—14,977,487	788,800,215	+777,411,039
Do., long term	805,355,532	829,912,603	—24,557,071	837,299,987	—31,944,455
Call loans abroad	66,752,347	89,462,916	—22,710,569	54,181,434	+12,570,913
	3,132,903,914	3,194,997,807	—62,093,893	2,238,077,232	+894,826,682
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	66,037,053	67,140,988	—1,103,935	77,430,356	—11,393,303
Public secs.ǂ	170,818,219	172,324,941	—1,506,722	97,798,045	+73,020,174
Other secs.	78,801,244	76,932,775	+1,868,469	81,669,304	—2,868,060
Can. call loans	41,616,678	32,987,198	+8,629,480	28,156,485	+13,460,193
Current loans	1,147,522,832	1,153,505,824	—5,982,992	1,049,170,065	+98,352,767
Loans abroad	103,407,408	108,726,374	—5,318,966	133,866,452	—30,457,044
Prov. loans	6,597,776	6,459,843	+137,933	11,839,831	—5,242,055
Mun. loans	60,233,868	63,487,607	—3,253,739	75,771,113	—15,537,245
	1,675,035,078	1,681,565,550	—6,530,472	1,555,701,651	+119,333,427
Other Assets					
Non-current loans	2,863,774	2,881,615	—17,841	4,126,648	—1,262,874
Real estate	5,004,465	5,097,507	—93,042	6,020,730	—1,016,265
Mortgages	3,143,716	3,204,948	—61,232	3,481,420	—337,704
Premises	67,089,046	67,296,401	—207,355	69,408,985	—2,319,939
Letters of credit	114,035,661	114,790,799	—755,138	122,470,197	—8,434,536
Loans to comp.	11,154,084	11,183,911	—29,827	11,019,829	+134,252
Other assets	2,366,474	2,542,326	—175,852	1,918,409	+448,065
	205,657,220	206,997,507	—1,340,287	218,446,218	—12,788,998
Total	5,013,596,212	5,083,560,864	—69,964,652	4,012,225,101	+1,001,371,111
Note circ. dep.	4,133,443	4,038,055	+95,388	4,578,733	—445,290
Int. bank bal.	216,048,056	181,732,295	+34,315,761	177,745,750	+38,302,306
Gross	5,233,777,711	5,269,331,214	—35,553,503	4,194,549,584	+1,039,228,127

LIABILITIES

	June 1943	May 1943	Change	June 1942	Change
To the Public					
Circulation	49,760,414	51,291,152	—1,530,738	74,484,996	—24,724,582
Dom. Govt.	686,438,255	887,373,961	—200,935,706	129,117,217	+557,321,038
Prov. Govt.	93,343,070	80,308,604	+13,034,466	104,467,497	—11,124,427
Deposits by Public					
Demand dep.	1,538,997,053	1,451,639,036	+87,358,017	1,289,174,406	+249,822,647
Savings dep.	1,782,136,499	1,732,289,784	+49,846,715	1,598,136,326	+184,000,173
Total	3,321,133,552	3,183,928,820	+137,204,732	2,887,310,732	+433,822,820
Foreign dep.	582,688,156	567,643,198	+15,044,958	506,011,744	+76,676,412
Due to Banks Abroad					
United Kingdom	29,941,306	33,019,681	—3,078,375	20,268,216	+9,673,090
Foreign	36,558,613	36,184,792	+373,821	33,777,240	+2,781,373
Bills payable	....	....		37,938	—37,919
Letters of credit	114,035,661	114,790,799	—755,138	122,470,197	—8,434,536
Other liabs.	4,568,107	4,773,806	—205,699	4,422,909	+145,198
Total pub. liabs.	4,918,467,134	4,959,314,813	—40,847,679	3,882,368,687	+1,036,098,447
Due bet. banks	14,393,524	10,127,422	+4,266,102	12,799,577	+1,593,947
Liability to Shareholders					
Dividends	1,195,387	1,807,241	—611,854	1,490,304	—294,917
Reserve	136,750,000	136,750,000	....	134,750,000	+2,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	5,216,306,045	5,253,499,476	—37,193,431	4,176,908,568	+1,039,397,477

ǂOther than Canadian.



Shortage of labor has been hampering pulp and paper mills in keeping up their wood supplies, vital if newsprint and other paper products are to be available.

Bank Debits Fall Sharply During June

Drop Follows May Victory Loan Peak; Substantial Increase Over 1942

Bank debits for June declined 19.4% compared with the May peak. This resulted from the Victory loan, but an increase of 15.5% over June, 1942, was shown.

The increase over last year may be attributed to the advance in business operations and increased wholesale prices. Increases were shown in all five economic areas, the greatest percentage—amounting to 33%—being in the Prairie Provinces. The lowest gain was in Ontario, 2.1%. Quebec showed an increase of 32%, B.C. 12%, and the Maritimes 12%.

The decline in debits over the May figure was greatest in B. C., 35.2% after seasonal adjustment, and least in the Prairie Provinces, 2.8%.

The physical volume of the business index rose from 200 in June of last year to 220.9 in May of this year, and employment in manufacturing rose from 202 to 220.9 at the beginning of May, 1943. These indices, together with the increase in wholesale prices from 95.8 in June of last year to 99.5 in June of this year, reflect the activity which resulted in the rise of bank debits.

Debits to Individual Accounts
(Millions of $)

	June 1943	May 1943	June 1942
Maritimes:			
Halifax	$50.1	$84.4	$47.5
Moncton	17.9	18.7	16.0
Saint John	30.1	47.5	24.1
Total	98.1	150.6	87.6
Quebec:			
Montreal	1,139.1	1,294.5	860.2
Quebec	137.0	112.5	104.5
Sherbrooke	10.9	14.8	11.2
Total	$1,287.0	$1,421.8	$975.9
Ontario:			
Brantford	18.4	24.3	16.9
Chatham	10.0	12.0	9.7
Fort William	9.5	13.6	10.7
Hamilton	97.3	140.4	100.8
Kingston	12.5	16.4	11.4
Kitchener	21.8	37.0	19.8
London	46.3	67.0	48.9
Ottawa	501.9	708.5	529.1
Peterborough	12.7	14.7	12.0
St. Catharines	20.2	29.6	19.0
Sarnia	11.6	18.3	10.6
Sudbury	8.5	9.8	8.6
Toronto	1,077.1	1,467.3	1,009.1
Windsor	80.7	105.6	81.9
Total	$1,928.5	$2,662.5	$1,888.5
Prairies:			
Brandon	6.7	7.5	5.6
Calgary	91.9	109.3	77.5
Edmonton	79.5	91.7	53.2
Lethbridge	7.2	8.2	6.2
Medicine Hat	4.8	5.5	3.1
Moose Jaw	10.4	12.0	9.0
Prince Albert	4.9	5.1	4.6
Regina	78.7	76.3	47.7
Saskatoon	17.5	19.4	13.7
Winnipeg	477.6	497.8	365.1
Total	$779.2	$832.8	$585.7
British Columbia:			
New Westminster	10.9	14.1	11.3
Vancouver	202.4	288.6	176.3
Victoria	43.4	53.3	41.6
Total	$256.7	$356.0	$229.2
Total, Canada	$4,349.5	$5,423.7	$3,767.0

How Canada and the U.S. Care For War Veterans

President Roosevelt Outlines Six-point U. S. Program

President Roosevelt, in a recent radio address, outlined the provisions which the United States proposes to make for its discharged soldiers after the war is over. The major points he made are summarized here under six headings.

ROOSEVELT PROPOSES

Discharge Benefits:

1. Mustering-out pay to every member of the armed forces and merchant marine when he or she is honorably discharged, large enough in each case to cover a reasonable period of time between his discharge and the finding of a new job.

Unemployment Insurance:

2. In case no job is found after diligent search, then unemployment insurance, if the individual registers with the United States Employment Service.

Education:

3. An opportunity for members of the armed services to get further education or trade training at the cost of their Government.

Pensions and Insurance:

4. Allowance of credit to all members of the armed forces, under unemployment compensation and federal old-age and survivors' insurance, for their period of service. For these purposes they should be treated as if they had continued their employment in private industry.

Medical Care:

5. Improved and liberalized provisions for hospitalization, rehabilitation and medical care of disabled members of the armed forces and merchant marine.

Other Assistance:

6. Sufficient pensions for disabled members of the armed forces.

Canada's Provisions Provide Model for U. S. Veterans Aids

Like the United States, Canada also has plans for caring for the veterans of this war. Longer in the war than the U. S., this country already has most of its plans in operation. Summarized along the lines of those presented by President Roosevelt, Canada's provisions for her soldiers and their dependents are:

CANADA PROVIDES

Discharge Benefits:

1. Canada provides that before a soldier, sailor or airman is discharged he receives one month leave of absence with pay. Then he is discharged with one month's rehabilitation pay and six other benefits. The same applies to women.

Unemployment Insurance:

2. Veterans are to be given credit in the unemployment insurance fund equal to the amount that they would have in the fund had they been contributing on a civilian basis since July 1, 1941, when the fund was established. After 15 weeks' work they are entitled to all the benefits of the act and can draw unemployment insurance almost in the top bracket. Already about 1,200 returned men have unemployment insurance under these conditions.

Education:

3. Canada provides education or training for its returned men and allowance for them and their families while they are in training. Two men returned from the present war have already graduated from universities; 25 others are taking university courses and 1,200 are taking vocational training.

Pensions and Insurance:

4. While Canada has nothing to duplicate the Roosevelt allowance of credits in old age pensions and survivors' insurance, officials here believe the War Veterans' Allowance Act pensions provisions and other measures of assistance in a general way provide similar protection.

Medical Care:

5. In addition to hospitalization provisions, Canada plans a series of reconditioning centres which will be farm homes where men not quite fit may stay for an indefinite period. Aim is to have one in every province. First will be in operation by October.

Other Assistance:

6. Through the Veterans' Land Act, Canada provides loans at 3½% to soldiers and a free grant of from one third to one half of the value of farm enterprises they undertake.

Construction Control Claimed To Be Slightly Relaxed

"There is some evidence that control authorities are beginning to release a small volume of 'semi-essential' work," says MacLean Building Reports Ltd., in its July summary of construction awards. Present unseasonable decline in building volume is attributed to restrictions on private work and tapering off of war construction.

Only residential building has been held to reasonable levels, the summary says, reporting July awards at $16 millions as against double that amount for July, 1942, and a seven-month total at $118 millions against $167 millions in 1942.

Industrial building in July was worth about $3 millions as against $9 millions in July, 1942; commercial building $4 millions against $11 millions; residential, $7 millions against $9 millions, the summary says.

Referring to commencement of relaxation of control, the summary said: "A further development of this trend will be needed to provide a sufficient minimum volume of work for the industry in order that it may be prepared for the tremendous postwar program that the nation expects it to undertake."

Weekly Bank Clearings

	July 29 1943 $	Change year ago %	July 22 1943 $
Halifax	4,374,314	—11.5	4,614,136
Saint John	2,762,556	+29.0	3,055,603
Moncton	1,098,495	—8.2	1,419,834
Sherbrooke	930,392	—1.0	1,293,638
Quebec	5,456,799	+14.2	6,381,669
Montreal	119,933,771	+19.9	151,869,969
Ottawa	81,843,945	+87.7	118,535,037
Kingston	785,068	+15.4	903,951
Peterborough	816,530	+24.7	856,930
Toronto	136,889,185	+13.0	193,404,086
Hamilton	7,790,687	+29.6	8,677,692
St. Catharines	1,523,898	+18.4	1,562,737
Kitchener	1,251,850	+13.1	1,548,319
Brantford	995,048	+14.8	1,276,144
London	2,733,519	+9.2	3,644,427
Chatham	588,293	—3.7	711,670
Sarnia	979,996	+153.8	834,877
Sudbury	1,014,150	—10.4	1,217,446
Fort William	1,189,972	+5.1	1,172,056
Winnipeg	69,723,941	+72.1	66,645,331
Brandon	511,196	+11.0	586,518
Regina	8,245,143	+37.1	6,865,534
Moose Jaw	978,651	+48.3	965,108
Saskatoon	1,917,796	+15.7	2,002,368
Prince Albert	532,948	+21.6	678,711
Edmonton	7,648,682	+46.2	9,159,486
Calgary	7,445,280	+26.2	8,704,409
Lethbridge	802,839	+35.7	909,064
Medicine Hat	510,331	+72.2	764,388
N. W'minster	860,867	—25.1	873,555
Vancouver	29306,425	+33.1	31,044,326
Victoria	2,039,998	+16.6	2,447,414

Monthly Bank Clearings

	July 1943 $	July 1942 $
Halifax	20,456,598	19,429,584
Saint John	13,345,239	10,367,335
Moncton	5,771,237	5,194,223
Sherbrooke	5,204,307	4,408,105
Quebec	27,900,997	25,709,327
Montreal	690,227,366	583,086,429
Ottawa	431,885,276	229,777,771
Kingston	3,799,645	3,507,137
Peterborough	3,999,548	3,432,615
Toronto	786,027,467	607,825,622
Kitchener	6,444,738	5,554,579
Brantford	5,371,241	4,783,392
London	14,455,360	13,309,030
Chatham	3,273,278	2,943,435
Sarnia	4,083,448	2,071,988
Winnipeg	314,962,254	194,895,165
Brandon	2,554,691	2,271,345
Regina	35,573,832	24,494,213
Moose Jaw	4,280,004	3,362,429
Saskatoon	9,482,388	8,167,158
Prince Albert	2,660,538	2,129,388
Edmonton	38,475,345	26,851,176
Lethbridge	3,811,911	3,023,631
Medicine Hat	2,489,760	1,508,065
New Westminster	3,869,830	4,419,087
Vancouver	132,232,150	112,257,165
Victoria	9,778,398	9,088,846
Calgary	35,170,310	27,839,302

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter 1727)
Head Office: EDINBURGH
Branches throughout Scotland
LONDON OFFICES:
3 Bishopsgate, E.C.2
8 West Smithfield, E.C.1
49 Charing Cross, S.W.1
Burlington Gardens, W.1
64 New Bond Street, W.1
Complete Banking Facilities
Associated Banks:
Williams Deacon's Bank Ltd.
Glyn Mills & Co.

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Banking Service
1817-1943
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.
Assets of £164 millions.
Branches throughout Australia, New Zealand & Pacific Islands.
London Offices at 29 Threadneedle St., E.C.2, and 47 Berkeley Square, W.1.
Agency arrangements with Banks throughout the World.

Position of Chartered Banks of Canada as of June 30, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada $	Demand Deposits in Canada $	Savings Deposits in Canada	Deposits Elsewhere $	Bal. due to other Banks in Canada	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $
Montreal	10,842,317	196,889,090	28,947,229	....	387,405,994	429,714,130	110,183,402	2,682,339	14,067,140	7,26,109	....
Nova Scotia	4,827,859	55,271,935	1,432,788	....	104,474,829	158,656,825	72,202,719	1,019,401	1,267,795	3,324,117	....
Toronto	1,484,394	37,935,681	3,017,986	....	69,038,047	100,590,407	1,844,704	96,610	773,713	591,713	....
Provinciale	1,394,113	5,822,224	224,453	....	17,973,071	50,699,266	32,131	376	....	25,760	....
Commerce	10,459,629	116,513,370	19,574,313	....	312,618,086	35 ,932,110	87,592,567	4 7,535	4,591,441	6,694,139	....
Royal	13,484,383	169,318,512	15,394,561	....	433,561,179	374,286,678	295,880,591	10,593	4,672,274	13,831,959	....
Dominion	2,108,656	33,062,486	943,426	....	70,223,391	88,668,924	9,816,372	2,403,414	720,177	664,634	....
Nationale	2,380,362	20,784,832	1,847,150	....	58,374,292	125,723,300	612,442	2,537,263	33,138	820,784	....
Imperial	2,248,640	45,790,744	21,457,508	....	80,609,784	97,142,966	314,120	1,610,308	811,005	1,677,050	....
Barclays (Canada)	539,070	5,049,381	503,656	....	4,718,389	5,721,893	4,209,108	555,485	3,004,533	1,302,348	....
Total	49,760,414	686,438,255	93,343,070	....	1,538,997,053	1,782,136,499	582,688,156	14,393,524	29,941,306	36,558,613	....

NAME OF BANK	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorized $ (Supplementary Information)	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are partners	Average Notes and Deposits with Bank of Can. $	Greatest Amount of Notes in Circ. $
Montreal	18,629,783	2,460,067	37,287	39,000,000	36,000,000	1,284,484,891	50,000,000	36,000,000	6	293,639	114,642,133	11,218,882
Nova Scotia	24,807,350	31 ,129	308,413	24,000,000	12,000,000	465,901,147	15,000,000	12,000,000	10	1,816,120	37,278,000	5,157,892
Toronto	2,585,981	....	5,736	12,000,000	6,000,000	235,964,975	10,000,000	6,000,000	10	607,845	24,262,471	1,538,304
Provinciale	83,879	14,218	6,384	1,000,000	4,000,000	81,278,079	5,000,000	4,000,000	5	120,787	6,408,113	1,420,408
Commerce	25,409,597	....	477,363	20,000,000	30,000,000	986,311,094	50,000,000	30,000,000	6	943,579	81,188,640	10,714,307
Royal	31,822,951	1,330,931	68,181	20,000,000	35,000,000	1,408,662,796	50,000,000	35,000,000	6	730,809	99,643,004	13,691,070
Dominion	6,165,402	391,621	141,68	7,000,000	7,000,000	229,310,189	10,000,000	7,000,000	8	642,861	22,343,861	2,140,886
Nationale	347,029	41,416	8,233	5,000,000	7,000,000	225,530,245	10,000,000	7,000,000	6	126,770	20,346,130	2,388,412
Imperial	3,394,334	....	147,168	8,000,000	7,000,000	270,203,723	10,000,000	7,000,000	8	390,764	26,000,192	2,312,155
Barclays (Canada)	789,355	17,682	....	750,000	1,500,000	28,660,906	1,500,000	1,500,000	....	1,000	2,836,466	613,645
Total	114,035,661	4,568,064	1,195,387	136,750,000	145,500,000	5,216,306,045	211,500,000	145,500,000	....	5,694,174	434,949,010	51,195,761

ǂOf this amount $48,107,670 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada $	Gold and Subsidiary Coin held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks $	Balances due by other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $	Govt. sec. short term $	Govt. sec. long term $	Canadian municipal securities $	Public sec. other than Canadian $	Other bonds and stocks $
Montreal*	1,525,198	41,232	26,336,706	86,424,079	369,950	788,340	52,545,520	....	12,913,997	32,970,777	462,621,795	170,967,153	12,851,94	61,676,754	22,645,297
Nova Scotia	443,627	1,113,822	10,732,101	24,034,921	85,804	17,793,754	15,414,837	....	12,926,019	14,651,854	101,793,988	73,970,997	8,832,02	4,701,176	9,490,777
Toronto	345,696	....	5,719,304	14,870,404	32,215	112,552	10,327,778	....	909,064	4,947,613	82,355,278	37,883,825	1,549,958	....	4,432,157
Provinciale	356,459	....	3,019,407	2,766,308	43,565	51,346	3,232,103	6,202	30,942	835,380	10,477,623	16,922,270	10,139,201	....	1,253,383
Commerce†	1,148,410	247,400	18,867,403	45,528,771	94,864	3,532,581	35,829,609	75	5,763,556	26,644,758	282,424,949	166,826,26	3,607,310	37,551,240	8,182,344
Royal	1,469,264	1,466,691	28,767,142	75,302,573	359,093	42,836,516	61,127,583	2,489	16,930,329	50,040,330	396,396,468	209,182,832	1,726,268	64,933,922	6,747,875
Dominion	305,115	295	3,591,392	18,150,457	49,245	184,501	9,013,324	100	2,683,006	7,164,695	69,782,893	31,285,101	1,011,649	1,331,235	1,670,549
Nationale	803,433	....	8,431,350	11,898,250	90,655	86,228	11,130,729	1,483,022	99,131	1,129,221	63,761,373	47,928,147	13,370,777	375,892	3,793,211
Imperial	378,313	....	7,719,430	19,629,911	58,650	125,257	14,041,663	695,291	760,538	4,845,481	63,693,057	43,144,227	4,946,923	....	376,681
Barclays (Can.)	10,278	....	209,963	2,509,814	1,265	2,836	947,409	241,632	1,575,535	5,750,606	3,902,826	7,344,628	1,000	48,000	....
Total	6,785,793	2,869,443	113,394,098	301,113,488	1,186,226	65,463,901	213,619,255	2,428,801	54,731,117	149,040,715	1,566,211,254	805,355,532	66,037,053	170,818,219	78,801,244

NAME OF BANK	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere	Loans to provincial governments $	Loans to municipalities $	Non-Current loans $	Real estate other than Bank premises $	Mortgages on real estate $	Bank Premises $	Deposit for note circulation $	Other assets $	Total assetsǂ $
Montreal*	6,336,559	16,749,826	250,629, 58	10,147,140	1,836,097	21,563,994	54,148	166,468	441,774	13,900,000	932,209	1,759,369	1,287,825,231
Nova Scotia	4,097,565	2,2 2,433	114,398,658	16,122,973	136,653	1,535,529	328,424	....	77,509	5,361,155	348,447	2,320,243	467,738,355
Toronto	1,909,829	....	63,108,091	....	....	2,600,910	16,314	....	7,720	2,870,010	178,185	64,363	236,914,255
Provinciale	4,034,585	....	13,900,504	....	2,883	2,535,896	33,992	362,687	221,795	2,040,322	110,180	85,053	81,655,945
Commerce†	9,661,45	15,737,152	255,399,526	16,813,902	1,311,502	7,343,454	873,485	1,841,165	751,520	13,622,193	822,981	4,800,410	990,848,837
Royal	8,794,929	27,827,841	258,90 ,206	60,116,111	1,921,89	15,500,676	1,187,486	1,360,163	753,584	13,360,888	1,143,201	3,887,778	1,411,921,995
Dominion	1,084,303	4,218,095	65,895, 99	207,282	637,481	143,764	122,070	14,910	27,995	5,194,023	185,525	198,290	230,224,095
Nationale	4,037,569	....	42,445,713	....	540,14	6,138,025	125,675	1,253,099	712,076	4,610,453	183,89	328,223	226,310,320
Imperial	1,547,787	....	77,287,065	....	211,126	2,851,620	119,760	5,973	139,793	5,406,278	197,132	65,434	271,343,733
Barclays (Can.)	142,100	....	4,560,612	....	....	....	420	....	....	721,724	31,690	2,290	28,694,880
Total	41,616,678	66,752,347	1,147,522,832	103,407,408	6,597,776	60,233,868	2,863,774	5,004,465	3,143,716	67,089,046	4,133,443	12,520,443	5,233,777,711

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above statement.—Footnote to Canadian Bank of Commerce return.

ǂTotal assets include $114,035,661 letters of credit outstanding as shown in liabilities.

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

Aug. 3, 1943

%	Due	Bid	Ask.
3	Oct. 1943	100½	101
2	June 1944	100¾	101¼
1½	Sept. 1944	100	100⅜
4½	Oct. 1944	103½	104¼
2½	Nov. 1944	101¼	102
4	Oct. 1945	100½	101
2	Mar. 1945	100⅞	101¼
2	Dec. 1946	100	100⅞
4½	Feb. 1946	106½	107¼
2½	Mar. 1948	100½	101
1¾	May 1946	99¾	100¼
a2½	Jan. 1948	102¾	103¾
3½	June 1949	102¾	103¾
3½	Oct. 1949	102½	102¾
a3	June 1951	102¾	103¾
3½	Nov. 1951	103¼	104¼
3½	Feb. 1952	104	105
3	Oct. 1952	101¼	102¼
4	Oct. 1952	106⅜	107¼
a3	Jan. 1953	105¼	106⅜
3	June 1955	100½	101¼
a3	Nov. 1956	100½	101¼
4½	Nov. 1956	106⅞	107⅞
4½	Nov. 1957	107¼	108¼
a3	Mar. 1954	101¼	102¼
a3	Jan. 1958	104¼	105¼
3	June 1958	99⅜	100⅜
4½	Nov. 1958	109	110
4½	Nov. 1959	108⅞	110⅞
a4	Oct. 1960	110	111
a3½	Jan. 1961	105¼	106½
3½	June 1966	102⅞	103⅞
a3e	Jan. 1967	102¼	103⅞
a3e	Nov. 1968	102⅞	103⅞
†3	Perpetual	94¼	95¼

Dominion Guarant'd Bonds
Can. Natl. Railways:

%	Due	Bid	Ask.
2¼	Jan. 1946	100⅞	101⅞
3	May 1944	100⅞	101¼
3	Dec. 1950	101¼	102¼
3	Jan. 1959	99½	100⅞
*4½	Sept. 1951	123⅞	125¼
*4½	Feb. 1956	128¼	129⅞
4½	July 1957	129⅞	131¼
3	Feb. 1953	100⅞	101⅞
4½	June 1955	130¼	131¼

%	Due	Bid	Ask.
5	Feb. 1954	117¼	118¼
*5e	July 1969	118¼	119⅞
*5e	Oct. 1969	129¼	130⅞
*5e	Feb. 1970	129¼	130⅞
Can. Nat. W. Ind. S. S.:			
5	Mar. 1955	131¼	132⅞
Grand Trunk Pacific Rly.:			
3	Jan. 1962	109⅞	111¼
Provincial Gov't Bonds			
New Brunswick:			
4	Nov. 1947	113	116
3	Oct. 1951	97¼	99⅞
3½	Aug. 1949	99⅞	101⅞
3½	June 1956	100½	102¼
4½	Apr. 1961	120	122
c5	Jan. 1960	124½	126½
Nova Scotia:			
3	Jan. 1952	99½	101¼
3½	June 1956	101	103
3½	Nov. 1950	102½	104¼
c4½	Sept. 1952	116½	118¼
c4½	Nov. 1960	123	125
c5	Mar. 1960	130½	132½
Ontario:			
2½	May 1945	100	101¼
2	Apr. 1948	100½	102¼
3	Nov. 1950	99½	101½
3½	Nov. 1951	100⅞	102⅞
3½	May 1955	100⅞	102⅞
4	June 1962	124	126
4½	June 1950	108¼	110¼
*4½	Jan. 1962	130	132
5	Oct. 1948	109½	111½
*5	Dec. 1960	133½	136
*5½	July 1946	107¼	109½
Ont. Hydro Commission:			
3	Aug. 1948	100½	102½
3½	Feb. 1953	100⅞	102¾
3½	Apr. 1947	103	105
Prince Edward Island:			
4	Mar. 1954	101¼	103¼
Quebec:			
3	Nov. 1947	100½	102½
3½	Mar. 1948	100⅞	102⅞

%	Due	Bid	Ask.
3½	Mar. 1959	100½	102½
4	Nov. 1952	103½	105½
3½	Feb. 1955	102¼	104¼
4½	Aug. 1958	107	109
4½	Jan. 1963	111¼	113¼
Alberta:			
4½	Oct. 1956	87½	90
4	Dec. 1954	84½	87½
*5	Oct. 1959	88½	91½
c5½	Apr. 1952	89	92
6	Mar. 1947	88	91
British Columbia:			
4	Dec. 1957	116	119
*4½	Jan. 1951	119	122
c4½	Oct. 1953	120	123
c5	Apr. 1954	124	127
5½	Feb. 1945	102½	105½
6	Feb. 1947	108½	111½
Manitoba:			
c4	Dec. 1957	111	114
c4½	Dec. 1956	116	119
*5	Dec. 1959	120	123
5½	Oct. 1955	115½	118½
6	Apr. 1947	107	110
Saskatchewan:			
4	Sept. 1954	92½	95½
4	Nov. 1960	92½	95½
c4½	Oct. 1951	104	107
c4½	Mar. 1960	100	103
5	Aug. 1958	100⅞	103⅞
5½	Oct. 1952	102½	105½
6	Mar. 1952	104	107

*-Payable Can., N.Y., £. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ¼-Calculated to 1950 average maturity. a-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

Aug. 3, 1943

Industrial:	Bid	Ask.
Andian National	24½	26
Anglo C. Tel. A.	8½	9½
Atlas Steels, c.	24	..
Do., pref.	105	108
B. C. Pulp, c.	11	12½
Do., pfd.	73	77
Barrymore Cl., p.	47	..
B. C. Sugar	75	80
B. C. Tel., p.	114	..
Brown, com.	1½	2½
Do., 6% pfd.	34	37
Burns & Co., A	11	12
Do., B	6	7
Canada Tea, p.	30	..
Can. Indust., A	160	166
Can. Mach., c.	7½	9½
Can. Ing. Rand.	62	..
Can. Mot. L.A.B.	9½	..
Cap. W. Cloth	5	..
Do., pref.	17½	21
Col. Realty	3½	..
Chase, A. W., p.	16	20
Colonial Steam.	67	72
Copeland F. un.	15	18
Corr. Box, c.	3½	..
Dover Ind.	7½	..
Dunlop T. p. $25	24	26½
Fed. Grain	..	3½
Do., pref.	79½	83
Galt Brass, c.	10½	..
Goderich Elev.	10⅞	..
Guard. Realty, p.	16	..
Guelph Carpet c.	16	..
Gurney Fdy., p.	2	..
Hart Battery	5½	..
Hayes Steel, c.	15½	..
High. Dairy, pf.	41	50
Inglis, John	8½	10
Ingram & Bell, p.	90	..
Kingst. Ship., c.	12	..
Loblaw Inc., c.	12	13½

	Bid	Ask.
Minn. & Ont., c.	7½	8½
Mt. Royal Htl., c.	3	..
M'row Screw, p.	100	..
Do., com.	16	..
Moirs, pfd.	40	..
Morrison Br. un.	..	17½
Neilson, Wm., c.	12	..
Do., p.	101	..
N. Meth. Ldy. p.	70	..
Ont. Tobacco, p.	15	..
Prov. Paper, p.	99½	102
River. Silk, B.	2½	..
Stand. Fuel, p.	50	..
Stedman, pf. $50	54	57½
Sutton Horsley	.70	1.25
Tor. Carpet, c.	70	..
Do., pref.	71	..
Un. Steel, A, pf.	23½	24½
Viceroy Mfg., c.	12½	..
Do., pref.	21	23
West. Grain, un.	..	39
Trust & Loan Stocks:		
British Mtge.	118	..
Brockville Tr.	45	..
Capital Trust	30	..
Comm. Fin., c.	7½	8½
Grey B. Tr. $50	45	..
Guaranty Trust	101	..
Guelph & O. $50	49	..
Indust. Mtge.	25	30
Lambton Loan	34½	..
Lond. & W. Trust	34	37½
Midland Loan	14½	..
Premier Trust	31	..
Sherbrooke Tr.	120	..
Sterling Trust	55	..
Trusts & Guar.	36	..
Victoria Trust	67	..
Waterloo Trust	100	..
Insurance Stocks:		
Brit. Amer.	52	..

	Bid	Ask.
Canadian Fire	70	..
Canada Life	330	..
Confed. 30% pd.	130	..
Continental L.	27½	31½
Crown Life	250	..
Dominion Fire	135	..
D. of Can. Gen.	135	..
Dom. Life	175	..
Empire, 25% pd.	6	7½
Excelsior 40% pd.	75	..
Great-West Life	238	..
Halifax Fire	15	..
Imperial Life	245	265
Manufac. Life	220	245
Monarch Life	33	36
National Life	8	10
Sov. L. 25% pd.	14½	..
Sun Life	325	350
Tor. General	4½	5½
Western Assce.	41	..
Do., pref.	41	..
Western Life	12½	15
Investment Trust Shares:		
Deb. & Sec., pf.	73	..
Inv. Found. un.	44½	..
Sec's. Hold., pf.	18	21
Th. Can. Inv. Tr.	2	2½
Theatre Stocks:		
Allen's St. Cath. units	65	..
Do., Kingston	66½	..
Do., Toronto, p.	36	..
Mansf. Theat. p.	62	..
Para. Kitch., p.	48	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	84	..
Power Issues:		
Can. W. N. Gas	27	..
Do., pfd.	102	..
Mtl. Isl. Pwr., p.	45	..
Gt. Lakes Px., p.	102	..

Unlisted Mines
Toronto, Aug. 3, 1943

	Bid.	Ask.
Adnaron	.19	.20
Albany R (new)	.09	.11
Algo Cop	.24	.28
Amal Kir	.13	.15
Amal Lar	.38	.40
Amicmica	.32½	.34
Ana'que	.11	.13
Area	.12	.14
Arntfield	.01¾	.02½
Athona	.03	.04
Banca	.44	.47
Bar Larder	.06	.07
Brock	.11	.13
Calder Bo	.04½	.06
Cent Mani	.02¾	.03
Cheminis	.07½	.08½
Classic S	.15	.18
Clift Cons	.26	..
Cock R L	.06½	.07
Columbier	.18	.21
Cons Chib	.07	.09
Conti Tin	.18	.20
Crowshore	.04	.07

	Bid	Ask
De Santis (new)	.06	.06½
Dona Pat	.02½	.03½
Eastward	.17	.20
Electra	.10	.11
Enter Fin	1.30	1.40
Goodrock	.06	.08
G Lk Iron	.21	.23
Gunflint	.18	.20
Harp Mal	.20½	.23
Hayes Cad	.02¾	.03½
Highridge	.10	.13
Hoyle new	.08	.09
Hugh P P	.06	.08
Ivan Lard	.23	.26
Laguerre	.13	.15
Lk Geneva	.07	.09
Lar-Add	.12	.14
Largold	.35	.40
Larder U	.11	.13
Magn Con	.57	.59
Majormic	.35	..
Marbenor	.29	.32
Martin Bir	.06½	.07½

	Bid.	Ask.
Mata Cons	.17	.20
Metalore	.18	.20
Mid Iron	.29	.35
Moffatt H (new)	.09	.10
Mosher	.10	.11
Moosewoo	.25	.27
McManus	.04	.05
McMarma	.15	.18
Nat Mala	.27	.28
Naybob	.01¾	.02½
Nick Off	.90	1.10
Norbeau	.31	.35
North Tin	.04	.06
Oklend	.04½	.05½
O'L Mala	.04¾	.05½
Opemiska	.07	.09
Orpit	.05¾	.06½
Pacific R	.73	.77
Pascalis	.33	.36
Pelangio	.10	.11
Pontiac R (old)	.14	.15
Pt Coldwe	.36	.40

	Bid	Ask
Preador	.03½	.04
Propriet	6.85	7.10
Que Mani	.20	.23
Rand Mal	.22	..
Rhyolite	.02½	.03½
Rebair	.41	.46
Rhyolite	.02½	.03½
Ritorfa	.04	.06
Rbu D'Or	.10	.13
S.A.G.A.	.39	.42
Sheldon	.16	.17
Springer	.31	.34
Stadacona	.12	..
Thoms L	.12	.14
Tom Iron	.66	.72
Tombill	.10	.12
Tovarich	.05	.05½
Tungold	.20	.23
Un Mining	.06	.07
Wesley	.02½	.03
West Shore	.04½	.05½
Y Davids	.27	.29

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Aug. 3	17,400	12,800	607,000	......
Aug. 2	11,200	5,000	......	21,100
July 31	10,100	11,600	491,000	85,400
July 30	19,000	13,400	1,074,000	39,270
July 29	20,500	13,500	741,000	12,879
July 28	28,900	11,800	682,000	52,345

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.39	$12.55	$10.54
Hogs	16.82	16.85	16.04
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2116	.2142	.1953
Sugar, raw. lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.12	1.17⅞	.86⅜
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	102.9	103.0	98.4
Wood Gundy	80.6	80.8	77.2
Dow Jones (fut.)	92.55	92.84	84.41
Fishers	110.6	111.1	108.4
Monthly Indices			
Canada (D.B.S.):			
Retail (June)	118.5	118.1	116.7
W'sale (June)	99.5	99.2	95.8
U. S. (Apr.)	103.7	103.4	98.7
Gt. Brit. (Apr.)	162.8	162.2	159.6

Note:—The base of indices is that 1926 equals 100 †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal. c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Supplementary Stock Quotations
(Furnished by Plaxton, McDonnell & Co., Toronto)

Aug. 3, 1943

Miscellaneous Stocks:	Bid	Ask.
Allens Lond. Thea., pfd.	45	..
Atlas Steels, 7% 2nd pf.	106	109
Brantford Roofing, c.	2½	3½
Can. Co-op. Wool	9	..
Can. Fairbanks, com.	22	..
*Can. Gen. Rubber, pfd.	..	21
Can. Investors	5½	6½
Can. Paving 1st pfd.	1½	..
Can. West. Lumber, c.	.50	.80
Cawthra Apts. pfd.	3	..
Claude Neon 7% pfd.	4½	5½
Commer. Life 10% pd.	6	..
Eastern Steel 5% pref.	20½	21⅞
†Easy Wash. 7% pref.	10½	11½
Fed. Fdries & Steel c	.17	.22
Franco Oils	.30	.35
Highland Dairy, c.	1	..
Insce. Exch. Bldg. c.	1	1⅞
McCuaig Red Lake	.03½	..
Milton Brick, com.	.08	.15
Monarch Mtge. units	1	..
Nat. Hosiery com.	1	..
Do., pref.	1	..
Niag. Falls Loan	7½	..
†Nor. Amer. Elev. 1st pf.	87	..
Do., 2nd pref.	27	..
Do., com.	..	1
Nor. Telephone, c.	11	..
Numaque Mining	.05	..
Pacific Coast Terminals	6½	9
Que. Pulp & Paper pfd.	24	26
Ritchie Cut Stone pfd.	1	4
P. L. Robertson Mfg. c	20	..
Do., $2.50 pfd.	43	45½
Sawyer-Massey com.	.85	1.50
St. John Dryd. 5½% pf	97	100
Sincennes McN. com.	2	2½
Un. Farmers Co-op.	3.	4
Waterloo Mfg.	6	7
York Trading, com.	3⅞	5

*Issue carries arrears.
†Currently paying on arrears.

Oil Stocks

Amalgamated	...	.07	.09⅞	..
Anaconda	...	.05	.04⅞	.05½
Brown Oil. debs.	..	25.00	25.00	..
Grease Creek	...	.01	.01½	.03½
Marvel	...	.01	.01	.04
Oil Selections	...	.04⅞	.04	.05½
Petrol Oil & Gas	...	.25	..	..
Royal Canadian	...	.03⅞	.03⅞	.04
Spooner	...	.08⅞	.07	.10
Sunset	†.01½	.08	.07½	.10
Texas Can.	...	1.92	1.70	1.90

▲Paid in 1942. †Interim paid in 1943.

Annual Meetings

1943	Company	Place
Aug.	—Hudson's Bay	London, Eng.
Aug. 19	—Canada Linseed Oil	Montreal
Aug. 24	—Cdn. Wire Box	Toronto
Aug 24	—Eastern Dairies	Montreal
Aug. 25	—Dom. & Anglo Inv.	Toronto
Sept. 8	—Loblaw Groceteria	Toronto

Corporation Bonds (Cont'd)

Public Utility Earnings

Jamaica Public Service Limited

Month of June	1943	1942
Oper. revenues	$115,456	$112,240
Gr. inc. after retire. res. accruals	25,603	34,194
Net icome	17,049	25,175
12 Mos. Ended June 30:	1943	1942
Oper. revenues	$1,318,076	$1,340,380
Gr. inc. after retire. res. accruals	336,664	369,492
Net income	231,278	270,416

Subject to adjustment and audit.

The above figures have been converted from Sterling at the rate of $4.86⅔ to £.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete. pfd.	8,723	$4,800
Major Oil No. 6 pfd.	7,761	3,200
Major Oil No. 6 gr.	7,761	6,300

Municipal Bonds
Aug. 3, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.95
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.07
†Quebec	5	1959	115.00	118.00	3.62
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	121.50	124.50	3.35
†Vancouver	5	1950	113.50	117.50	4.31
Winnipeg	5	1944	100.00	102.00	1.96

†Payable Can. & N.Y. *Flat.

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
Shawinigan W.	*4%	1961	Oct. 1	103
Atlantic Utilities	4%	1957	Sept. 1	102
Int. Paper Co.	▲6%	1955	Sept. 1	105
Can. Pac. Rly.	4½%	1946	Sept. 1	100½
Can. Breweries A	5½%	1946	Sept. 15	102
Do., ser. B	5%	1951	Sept. 15	100½
Do.	4½%	1945	Sept. 15	102

*$2,224,000. ▲$456,500.

Bond Tenders

Aug. 17. Mun. of City & County of Saint John, N.B.—$182,000.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.34	3.65
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.70	4.05
Can. Investors	5.25	6.25
Corp. Investors	6.30	6.80
Trans-Canada	11.10	12.10

Oil Royalties
Producing Wells — Prices and Payments

	May daily quota bbls.§	Mar. 15 daily quota bbls.§	Mar. pay. 1% $	April pay. 1% $	May pay. 1% $	Total to May 31 1% $	Offering price* per 1% $
Ace No. 1 gross	385	386	169.40	166.30	152.18	5,017.92	....
Alta. Oil Inc. No. 1 gr.	65	65	37.20	28.40	28.80	3,765.20	....
Do., No. 1 net	65	65	29.20	74.80	22.00	4,266.40	....
Do., No. 2 gr.	325	369	140.00	138.80	126.40	5,115.20	4,500
Do., No. 2 net	325	380	97.20	121.20	104.00	6,599.40	3,600
Allied No. 1 pfd.	93	93	41.36	35.05	36.80	1,710.91	1,300
Arrow No. 1 net	120	135	39.00	36.00	45.00	1,003.15	1,400
Do., No. 2 net	150	170	52.00	49.00	57.00	1,827.20	1,700
Atlas No. 1 net pfd.	102	....	....	....	‡36.40	......	1,400
Atlas-Br. D. No. 2 net	420	450	158.00	218.00	309.20	......	4,700
Atlas-Br. D. No. 3 pfd.	400	430	....	....	....	......	4,900
East Crest No. 5	115	115	52.50	57.20	66.09	663.60	1,700
Independent No. 1 pfd.	200	200	94.57	107.60	106.09	......	3,200
Do., No. 1 gr.	200	200	81.88	95.40	93.74	2,647.36	....
Major Oil No. 1 pfd.	95	95	45.20	140.40	30.00	1,014.80	....
Do., No. 1 gr.	95	95	51.20	48.40	38.80	1,845.00	1,400
Do., No. 2 net	320	350	108.00	138.00	154.80	5,339.60	4,600
Do., No. 2 gr.	320	350	150.80	158.00	171.60	6,927.60	5,300
Do., No. 3 net	550	588	214.40	252.00	242.40	7,430.40	7,200
Do., No. 3 gr.	550	588	291.20	264.00	253.60	......	....
Do., No. 4 net	100	125	....	54.00	39.60	......	....
Do., No. 4 gr.	100	125	....	56.00	37.20	......	....
Do., No. 7 pfd.	450	500	227.60	298.40	287.20	2,098.00	7,200
Do., No. 7 gr.	450	...	....	....	208.80	......	....
Do., No. 7 dfd.	450	500	....	....	....	......	3,700
Do., No. 8 pfd.	165	225	116.00	99.60	108.80	850.40	3,100
Do., No. 8 gr.	165	225	104.80	80.40	84.80	1,271.20	....
Do., No. 8 dfd.	165	225	....	....	....	......	1,400
Do., No. 9 gr.	320	320	129.60	160.40	174.80	1,912.60	5,900
Do., No. 9 pfd.	320	320	143.60	184.80	196.40	760.80	5,300
Do., No. 9 dfd.	320	320	....	....	....	5,311.28	2,500
Miracle No. 1 net	300	300	107.98	79.15	110.51	5,519.00	3,300
Do., No. 1 gr.	300	300	143.61	113.40	153.37	5,519.00	5,200
Do., No. 2 pfd.	160	200	87.04	119.86	87.31	......	2,900
Do., No. 2 gr.	160	200	75.86	108.40	77.10	1,387.08	3,600
Miracle No. 3 pfd.	...	...	....	....	....	......	2,100
Do., No. 3 gr.	...	...	....	....	186.62	......	5,300
National Vulcan	...	...	....	....	....	......	2,600
Twin City No. 2 gr.	200	...	....	....	86.04	......	....

* Approximately 25% over dealers' bid price.
§ Approximate. ‡ April payments.

Wheat Prices

Winnipeg Grain Futures
Week of August 2, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close Aug. 2
		Wheat			
1.10⅝	.93½	July	1.09⅞	1.07⅛	1.08¾
1.11⅜	.96	Oct.	1.10⅜	1.07¾	1.08¾
1.10½	.95⅝	Dec.	1.09¾	1.07	1.07⅝
1.13	1.06⅛	May	1.11⅝	1.07⅛	1.08⅛
		Oats*			
.51½	.47⅝	July	.51½	.51½	.51½
.51½	.49⅜	Oct.	.51½	.51½	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
		Barley*			
.64¾	.62⅝	July	.64¾	.64¾	.64¾
.64¾	.62¾	Oct.	.64¾	.64¾	.64¾
.64¾	.64	Dec.	.61¾	.64¾	.64¾
		Rye			
1.02⅞	.65	July	.94¾	.92¾	.94
1.03⅞	.70⅛	Oct.	.95½	.93	.93½
1.02⅞	.87⅛	Dec.	.94¾	.92	.94

*At ceilings.

Cash Quotations

Wheat:	For Week Aug. 2, 1943 High	Low	Prev. Week High	Low
1 Nor.	1.12⅞	1.10½	1.12⅛	1.09⅛
2 Nor.	1.08⅛	1.05⅜	1.08⅛	1.05⅛
3 Nor.	1.01	.99⅜	1.01⅜	.98⅞
4 Nor.	.97⅞	.93¾	.99⅛	.95⅛
5 Wheat	.98¼	.96½	.98⅜	.94⅜
6 Wheat	.95⅛	.94¾	.97⅛	.92⅝
Oats:				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.50½	.50	.51½	.51½
Barley:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
C. W.	.93⅜	.92½	.96⅝	.94

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 18	Total co's. 94
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	122.7	135.7	118.3	138.2	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	83.2	109.7	84.0	88.5	76.7	90.0	76.3
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.8	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
May	104.0	89.3	91.6	67.9	119.9	88.7	128.1	91.4	101.0	80.3	106.2	83.7
June	108.6	94.7	96.0	73.2	124.0	89.4	133.5	93.1	111.1	81.4	111.1	86.3
1943: Weekly Figures:												
July 8	108.4	95.7	94.2	84.0	125.4	88.3	138.0	91.8	110.6	81.6	110.9	89.6
July 15	110.5	123.0	95.3	86.5	126.2	90.4	137.1	95.7	111.0	81.7	113.1	91.8
July 22	112.3	112.4	93.5	84.7	126.4	93.6	138.2	96.0	111.7	81.9	113.6	91.5
July 29	110.7	106.2	93.3	84.5	126.0	93.8	138.1	94.5	111.9	81.7	112.1	90.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

STOCKS NOT TRADED THIS WEEK

Dividends Declared

	This payment $	Date payable	Date of record
Anglo-Can. Tel. "A"	.15	Sept. 1	Aug. 10
Aluminium	2	Sept. 5	Aug. 12
Do., pref.	†1.50	Sept. 1	Aug. 5
Agnew Surpass	.40	Sept. 1	July 31
Do., extra	.20	Sept. 1	July 31
Do., pref.	1.75	Oct. 1	Aug. 31
Atlas Steels	.15	Aug. 1	July 16
Do., 2nd pref.	1.75	Aug. 15	July 31
Asbestos	.20+.10	Sept. 30	Sept. 1
Aunor Gold	.05	Sept. 1	Aug. 6
Banque C. Nat.	1.50	Sept. 1	Aug. 14
Bank of Montreal	1.50	Sept. 1	July 31
Bank of Toronto	2.50	Sept. 1	Aug. 14
Bruck S. Mills	.10	Sept. 15	Aug. 13
Bathurst Pr.&P. A	.25	Sept. 1	July 30
Belding Cort.	1	Oct. 1	Aug. 31
Do., pref.	1.75	Oct. 1	Aug. 31
Bertram & Sons	.15+.05	Aug. 16	July 31
Borden Co.	†.30	Sept. 1	Aug. 4
B. C. Packers	.75	Sept. 15	Aug. 31
B.C. Tele. 2nd p.	1.50	Aug. 1	July 17
Can. Dom. Sugar	.20	Sept. 1	Aug. 14
Canada Dry	†.15	Sept. 9	Aug. 26
Canada Malting	.50	Sept. 15	Aug. 16
Can. Nor. Power	■.15	Oct. 25	Sept. 20
Do., pref.	■1.75	Oct. 15	Sept. 20
Canada Starch, pf.	■3.50	Aug. 15	Aug. 8
Canadian Oil, c.	.25	Aug. 14	July 30
Can. Gen. Elec.	.2	Oct. 1	Sept. 13
Can. For. Invest. c.	■1.30	Nov. 1	Oct. 1
Can. For. Inv., pf.	■2	Oct. 1	Sept. 1
Can. Int. Inv. Tr., p.	.50	Sept. 1	Aug. 2
Can. Breweries, pf.	.85	Oct. 1	Aug. 16
Commoil	.00½	Aug. 23	Aug. 7
Consolidated Press A	.40	Aug. 16	Aug. 2
Crown Cork	.50	Aug. 16	July 15
Can. Bakeries, pfd	1.25	Sept. 1	July 31
Consumers Glass	.50	Aug. 31	July 30
Conduits National	.15	Aug. 9	July 29
Corr. Paper Box, pd.	1.75	Sept. 1	July 31
Cosmos Imp. Mills	.30	Aug. 14	July 31
Cres. Creamery, pfd.	.4	Aug. 15	July 31
Dom. Foundries. p.,	1.50	Sept. 1	Aug. 10
Dominion Bridge	.30	Aug. 25	July 31
Dom. Scot. Inv. pf.	.50	Sept. 1	Aug 2
Dominion Stores	.10	Sept. 20	Aug. 25
Eastern Steel	.25	Sept. 1	Aug. 14
Gen. Steel Wares, pf.	1.75	Aug. 16	July 23
Hedley Mascot G.	.02	Aug. 16	July 21
Hallnor Mines	.10	Sept. 1	Aug. 6
Hollinger Cons.	.05	Aug. 12	July 29
Hudson's Bay, ord.	4% +1½%*	‡	July 21
Imperial Varnish	.12½	Sept. 1	Aug. 20
Do., pref.	.37½	Sept. 1	Aug. 20
Intern. Holdings	.50	Aug. 16	July 15
Inter. Nickel, com.	†.50	Sept. 30	Aug. 31
Invest. Found.	.75	Oct. 15	Sept. 15
Intern. Nickel, c.	†.50	Sept. 30	Aug. 31
Kerr Lake Mines	†.05	Aug. 20	Aug. 5
Kerr Addison G.	.05	Aug. 28	July 30
Lake Shore Mines	.20	Sept. 15	Aug. 16
Lamaque Gold	.10+.10	Oct. 1	Aug. 31
Leitch Gold	.02	Aug. 14	July 15
Langley's pref.	■.50	Sep. 11	Sep. 3
Do.	■.50	Dec. 11	Dec. 3
Lake of Woods M.	.30	Sept. 1	Aug. 2
Do., pref.	1.75	Sept. 1	Aug. 2
Laura Secord	.20	Sept. 1	Aug. 2
Loblaw Groc. A,B.	.25	Sept. 1	July 30
Montreal Loan	.31¼	Sept. 15	Aug. 31
Massey Harris pfd	.62½	Sept. 15	Aug. 14
McIntyre Porc.	.55½	Sept. 1	Aug. 2
Mont. Cottons 7% p.	1.75	Sept. 15	Aug. 16
Mont. Cottons, c.,	1.00	Sept. 15	Aug. 16
Niagara W. Weav.	.25	Oct. 1	Sept. 8
Noranda Mines	1	Sept. 15	Aug. 13
N.S. Light & Pr., p.	1.50	Sept. 1	Aug. 14
Ogilvie Flour	.25	Oct. 1	Aug. 30
Do., pref.	1.75	Sept. 1	July 30
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Ottawa L. Pr.	.15	Oct. 1	July 9
Do., pref.	1.25	Oct. 1	July 9
Ontario Silknit, pfd.	1	Aug. 16	Aug. 2
Paton Manfg Co.	1	Sept. 15	Aug. 31
Do., pref.	1.75	Sept. 15	Aug. 31
Penmans	.75	Aug. 16	July 16
Provincial Bank	1.25	Sept. 1	Aug. 14
Proprietary Mines	.05	Sept. 8	Aug. 9
Prov. Transport	.20	Aug. 14	Aug. 4
Power Corp., pfd.	■1.50	Oct. 15	Sept. 20
Do., 2nd pfd.	■.75	Oct. 15	Sept. 20
Quebec Power	.25	Aug. 25	July 23
Regent Knit., pfd.	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Rolland Paper	.15	Aug. 16	Aug. 6
Do., pref.	1.50	Sept. 1	Aug. 16
Royal Bank	1.50	Sept. 1	July 31
Second Cdn. It. Iv., p.	.10	Sept. 1	Aug. 14
Second Cdn. It. Iv., c.	.15	Sept. 1	Aug. 14
Siscoe Gold	.01½	Sept. 15	Aug. 12
Stuart, D. Oil. pf.	20+25	Sept. 1	Aug. 14
Shawinigan W.	.23	Aug. 25	July 23
Silverwood D.	.20	Oct. 1	Aug. 31
Do., pref.	.20	Oct. 1	Aug. 31
South Can. Pwr.	■.20	Aug. 16	July 20
South Can. Pwr. pd.	■1.50	Oct. 15	Sept. 20
Stand. Fuel, pfd.	1	Oct. 1	Sept. 15
Do., arrears	1	Oct. 1	Sept. 15
Toburn Gold	.01	Aug. 23	July 22
Teck-Hughes	■.10	Oct. 1	Aug. 31
United Corp. (A)	.38	Aug. 16	July 15
United Grain, A	1	Sept. 1	July 31
Do., B	.25	Sept. 1	July 31
United Fuel A	.75	Oct. 1	Sept. 10
Upper Can. Mines.	.02½	Aug. 28	Aug. 14
Waite Amulet	.20	Sept. 10	Aug. 10
Wr.-Hargreaves	.07½	Oct. 1	Aug. 26
Walker H. Good	1	Sept. 15	Aug. 13
Do., pref.	.25	Sept. 15	Aug. 13
York Knitting	.20	Aug. 16	July 30
Do., 1st pref.	3.50	Aug. 16	July 30
Do., 2nd pref.	3.50	Aug. 16	July 30

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board.

*Distribution from land sales account; not subject to income tax.

‡Payable date to be announced later.

DIVIDEND NOTICES

"CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held July 27, 1943, a dividend of fifteen cents (15¢) per share on the common stock was declared, payable September 9, 1943, to stockholders of record at the close of business, August 26, 1943.

Wm. J. WILLIAMS, *Secretary*

Proprietary Mines

Limited

DIVIDEND NO. 12

NOTICE is hereby given that a Dividend of Five cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on September 8th, 1943, to shareholders of record at the close of business on August 9th, 1943.

By Order of the Board.

J. INGRAM,
Secretary-Treasurer.

Toronto, Ont., July 31st, 1943.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of Seven per cent (7%), per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 16th day of August, 1943.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, July 29th, 1943.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE PER CENT (1%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 16th day of August, 1943.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, July 29th, 1943.

DIVIDEND NOTICES

The Royal Bank of Canada

DIVIDEND NO. 224

NOTICE is hereby given that a dividend of one and one half per cent (being at the rate of six per cent per annum) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Wednesday, the first day of September next, to shareholders of record at the close of business on the 31st day of July, 1943.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., July 13, 1943.

LANGLEY'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of .50c per share on the Seven per cent Preference shares of the company, which was declared by the Board of Directors at a meeting held on February 5th, 1943, subject to the approval of the Foreign Exchange Control Board, will be paid on September 11th, 1943 to shareholders of record at the close of business on Sept. 3rd, 1943.

By order of the Board.

P. G. SHAY,
Secretary-Treasurer.

Toronto, August 5th, 1943.

DIVIDEND NOTICE

HIRAM WALKER-GOODERHAM & WORTS LIMITED

DIVIDEND NO. 94

A quarterly dividend of 25¢ a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this Company, payable Wednesday, September 15, 1943 to shareholders of record at the close of business on Friday, August 13.

DIVIDEND NO. 95

A dividend of $1.00 a share has been declared on the outstanding no par value Common Stock of this Company payable Wednesday, September 15, 1943 to shareholders of record at the close of business on Friday, August 13.

By Order of the Board,

FLETCHER RUARK,
Secretary.

Walkerville, Canada
July 9, 1943.

Borden's

COMMON DIVIDEND
No. 134

An interim dividend of thirty cents (30¢) per share has been declared on the outstanding common stock of this Company, payable September 1, 1943, to stockholders of record at the close of business August 14, 1943. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer*

Lake Shore Mines Limited

(No Personal Liability)

DIVIDEND NO. 94

NOTICE is hereby given that a dividend of Twenty Cents per share, on the issued capital stock of the Company, will be paid on the fifteenth day of September, 1943, to shareholders of record as at the close of business on the sixteenth day of August, 1943.

By order of the Board.

KIRKLAND SECURITIES LIMITED
SECRETARY.

Dated at Kirkland Lake, Ontario, August 2nd, 1943.

Silverwood Dairies Limited

Preferred Dividend No. 15

NOTICE IS HEREBY GIVEN that the regular semi-annual dividend of twenty cents (20c) per share has been declared on the Preferred Shares of the Company, payable October 1st, 1943, to shareholders of record at the close of business August 31st, 1943.

Common Dividend No. 6

NOTICE IS ALSO GIVEN that a dividend of twenty cents (20c) per share has been declared on the Common Shares of the Company, payable October 1st, 1943, to shareholders August 31st, 1943.

By Order of the Board.

J. H. GILLIES,
Secretary-Treasurer.

London, Ontario,
August 3rd, 1943.

Upper Canada Mines Limited

(No Personal Liability)

DIVIDEND NO. 13

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian Funds on August 28th, 1943, to shareholders as of record at close of business August 14th, 1943.

By Order of the Board.

G. F. SUMMERS,
Secretary-Treasurer.

Toronto, August 3rd, 1943.

BRITISH COLUMBIA PACKERS LIMITED

Notice is hereby given that the directors of British Columbia Packers Limited have declared a dividend of 75c per share, payable by cheque to be issued at Vancouver on Sept. 15th, 1943, to shareholders of record at the close of business on Aug. 31st, 1943.

Notice is hereby also given that the company's register of transfers maintained at the office of the London & Western Trusts Company Limited in the city of Vancouver, B.C., and the company's branch registers of transfers maintained respectively at the office of the London & Western Trusts Company Limited in the city of Toronto and at the office of Chartered Trust and Executor Company in the city of Montreal will be closed from and including the 1st day of September to and including the 7th day of September, 1943.

Dated at Vancouver, B.C., this 2nd day of August, 1943.

By order of the Board.

A. HAMILTON,
Secretary.

Winnipeg Grain Markets

Heavy Farm Deliveries Made

Observers Believe Substantial Buying Originates in U. S.

From Our Own Correspondent

WINNIPEG.—Although the Winnipeg wheat market showed some irregularity the first of the week it must be considered to have given a display of ocnsiderable strength, in view of the volume of selling it had to absorb.

Farmers had delivered in the country, on Saturday and Monday, more than 5,300,000 bushels of wheat, and sales against a very considerable part of this total were made on Tuesday.

Some observers believed that they could identify, among heavy orders received from New York, buying of nearly a million and a half bushels on behalf of the Commodity Credit Corp. of the United States. Certainly such buying is expected in large volume for a considerable period, as agricultural authorities in the United States have made it known that they expect that country will require all Canadian grain which can possibly be transported for feeding purposes in the United States.

A feature of the price structure is that the demand for cash wheat in the nearby future is greater than for deferred delivery. October and May wheat have traded on an even basis, with no margin whatever for carrying charges, with cash wheat at a considerable premium over the October future. Such a condition in the past has frequently characterized a rising market, while on the other hand falling markets have often been characterized by a full carrying charge between delivery months. It is taken as an indication that the principal buyers or holders of wheat want to be sure of getting it now or as early as possible.

Immediate Delivery Sale

Supplies available for immediate sale are restricted by the situation at the head of the lakes. Storage stocks there have been depleted by fairly substantial movement down the lakes. Terminal elevators have not filled up again, not because of the difficulty of the railways in getting grain forward, but because the grain cars actually arriving at the head of the lakes could not be unloaded as fast as received, because of labor shortage. Elevator companies have not found it possible to secure enough men so cars could be unloaded at a rate to keep pace with the railway movement. The railways, owing to this condition have had to allow an increase in the number of cars allocated for the transportation of grain, but have also had to slow up the rate of car loadings at country elevators.

The sudden increase in the rate of country deliveries of wheat by farmers is difficult to explain except on the theory that the ending of the official crop year has emphasized in the minds of farmers the need of completing quotas for delivery of old crop wheat before quotas for the new crop become effective. Old crop quotas, due to expire at July 31, have been extended to the middle of August, evidently in the hope that farmers will dispose of almost another 20 million bushels of old crop wheat before they start to thresh new wheat.

Vessels Provided

A number of vessels, newly assigned to service on the Great Lakes, are now being booked for cargoes of grain. These were made available by the U. S. Government and it is assumed that the extra freight space will be used for grain shipped to the United States than for filling up elevators in eastern Canada.

It is still considered possible that the Canadian Wheat Board will take over the handling of all oats and barley, in order to ensure that requirements of eastern Canada for feed grain will not be unduly interfered with on account of shipment of such grain to the United States. But other proposals for dealing with the situation have been under study by the government and the Canadian Wheat Board. A decision is expected in the very near future, but may be delayed until a more definite idea can be had of the probable yield from the maturing crop of grain.

Further crop deterioration occurred in the west as a whole during last week, and although some areas still have excellent prospects, general expectations are for a crop somewhat under the average. Heavy week end rains occurred at many points, improving the prospect considerably in some districts previously suffering from lack of moisture.

Money in Oil Seed?

Study Sunflower's Potential

Crop in West Totals 27,637 Acres in 1943

Hitherto Western Canadian farmers have been growing sunflowers solely for ensilage. But with the lead given to development of this source of edible oil by researches on the part of the Dominion Forage Crops Laboratory of the University of Saskatchewan, they are awakening to the possibilities of sunflower cropping as a source of oil seed and numerous other products. While current demand is high owing to war needs, the postwar picture may not be so encouraging. Nevertheless the subject is engaging the attention of the Western farmer who this year has seeded 27,637 acres to sunflowers.

Needs of the war have resulted in the establishment of a new cash crop for the farmers of western Canada. This is the sunflower. Long grown by many farmers for ensilage, it is now coming into prominence as a source of oil seed, The Financial Post is informed by Dr. L. E. Kirk, Dean of Agriculture, University of Saskatchewan.

Because of the numerous uses to which products of the sunflower lend themselves, it is helping to diversify sources of cash income throughout the western farming community. Already in 1943 estimated acreage devoted to sunflower production in the three prairie provinces is put at 27,637 acres. Of this, 15,000 acres are planted in Saskatchewan and 10,000 acres in Manitoba.

Butter From Sunflower Seeds

The sunflower seed yields an edible oil claimed to be excellent for all household purposes calling for vegetable oil. From the same source comes sunflower seed butter which tastes not unlike peanut butter but which has not reached the commercial consumption stage yet. It compares favorably with the soybean variety and is considered to be superior to it by some people, says Dr. Kirk.

Oil of the sunflower may be used in paints, but it is inferior to linseed oil, since it lacks drying qualities. Sunflower meal, the residue of the sunflower after crushing and extracting of oil, is said to be superior in nutritive value to soybean meal.

5c. a lb. For Sunflower Seed

At present the Wheat Board is authorized to purchase all seed offered by the farmers at five cents a pound. With yields of 800 lb. per acre, considered by the Saskatchewan authorities to be a fair estimate, the return per acre would be about $40. With wheat at a price of $1.10, for example, the return from a yield of 20 bushels per acre, which is also a good average return, would be $22. It can be seen, therefore, that the growing of sunflower seed is at present a venture well worth the attention of any farmer.

The postwar prospect for sunflowers as a profitable crop is not so encouraging, in the opinion of Saskatchewan experts. With 100 lb. of seed yielding 22 lb. of oil at 15c. a lb. and 28 lb. of meal at 2½c. a lb. ($45 a ton), a government bonus of about 1c. a lb. is necessary to make up the 5c. guaranteed price. Under peace conditions the price of vegetable oil might easily drop to 5c. a lb., in which case the sunflower seed would be worth only 2c. or 3c. a lb., a yield of $16 to $21 an acre.

Importance of Fats

No definite prediction of this sort is, of course, possible, it is stated. Further improvement in sunflower varieties together with better markets, might make this picture entirely misleading. There is no doubt, however, of the great importance of fats in the world's diet, and the measure of this importance has been increasing, as indicated by the Food Research Institute of Stanford University in its pamphlet, "Fats and Oils in the War":

"A rising per capita consumption of fats in the first four decades of the present century ranks as one of the outstanding events in dietary changes in the industrial nations."

Long used as a source of edible oil in most European countries, the sunflower is especially common in Russia, The Post learns, where the 1940-41 acreage amounted to some 1.3 million acres. Argentine too has expanded her production of oil from sunflowers. Since the war, as Canada and United States have been cut off from the normal sources of oil, Argentine has increased her export of this commodity to these North American countries.

Sunflowers Adapted to Canada Soil

Canada has made substantial progress in adapting the production of this ancient source of edible oil to the conditions of this country. Credit for this development goes to the Dominion Experimental Farm System for promoting production; to the Dominion Forage Crops Laboratory of the University of Saskatchewan for breeding work and development of production techniques; and to the Oil Seeds Laboratory of the National Research Council, located at the University of Saskatchewan, for special studies in oil extraction and processing.

The varieties of sunflowers grown for forage in western Canada have not been suitable for seed production, as forage sunflowers are tall, late maturing and, in most cases, the seed never ripens. The only species which at all approximates to requirements was grown by the Mennonite communities on small acreages. It was short and early maturing, and still accounts for over half the acreage seeded.

In Search of the Right Seed

Since before the war research men at the University of Saskatchewan have been doing plant breeding work on the sunflower with the object of developing a seed with the proper qualities of early maturity, shortness, and high kernel and oil content. A variety known as "Sunrise" is the result.

"Sunrise" is superior to the Mennonite in that it has higher bushel weight, kernel content, and consequently a higher oil content. It is the result of selection from seed introduced from the Saratov Plant Breeding Station in Russia. It has the disadvantage of maturing somewhat later than the Mennonite and is adapted to sowing in Manitoba where danger from frost is not so great as in most parts of Saskatchewan and Alberta.

Saving in Equipment

One factor, says Dr. Kirk, which favors the growing of sunflowers as a wartime source of edible oils is the fact that with only limited supplies of seed crushing equipment available, the crushing of one ton of sunflower seed (kernels, with hulls removed) will yield 900 to 1,000 lb. of oil, compared with about 400 lb. from a ton of soybeans. There is, therefore, a considerable saving in the use of crushing equipment.

Profitable production of sunflower seed is aided by the fact that seeding, cultivation and harvesting can all be done with machinery already available on most farms. In particular, it is doubtful if it could be profitably harvested were it not that the seed can be combined. While some combines require attachments for this work, others need only adjustments. Growing of the crop is very little more expensive than the growing of the same acreage of wheat, the main extra expense being in the cultivation which is necessary about twice a year. The cost of seed is, on the other hand, lower than for wheat.

DIVIDEND NOTICE

Banque Canadienne Nationale

Quarterly Dividend

NOTICE is hereby given that a dividend of one and a half per cent (1½%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of August, 1943. This dividend, bearing the number 210, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of September, 1943, to the shareholders of record on August 14, at noon.

By order of the Board,

CHARLES ST-PIERRE,
General Manager.

The Business Of Farming

By GORDON L. SMITH

Restricting Output?

A city man just back from holidays spent about 30 miles from Ottawa claims that farm production in the area he visited has fallen off seriously in the last year or two. He fears that this condition is general and he blames wartime regulations and especially those of the prices board for most of the trouble.

Our informant claims that farmers in the valley near his cottage are limiting production pretty well to what they need for themselves. Wild fruit, he says, was very plentiful but the local population simply picked all that their limited sugar canning ration would let them preserve and the remainder they left for the bears. Because so many of the young men were in the armed forces, fewer milking cows were being kept, and hay, unneeded for present local livestock, was allowed to rot uncut.

• • •

Not Typical Picture

We doubt very much whether this is a typical picture of any great agricultural cross-section of Canada. Our informant was dealing with marginal farming country which was never very productive in any case. For the most part the local citizens depended for cash returns on the tourist or lumbering industries, using farming as a mere sideline. In such areas it is probably true that farm production has actually fallen off since the war. In the first place there was no established market to handle any great increase in production and probably not sufficient incentive or economy to provide one.

Perhaps the only way to take care of more milk or cream would be to build a creamery or cheese factory and such a venture might be far from profitable on the limited increase in milk production possible. If the area went more heavily into fruits then a cannery or jam factory or at least a grading station might be necessary and here again the venture might not be economical.

Normally the local tourist traffic would take care of all the extra eggs, milk, fruit and vegetables produced. But with the tourist traffic restricted by war, and farm help drained away to the armed forces and munitions factories, it might be exceedingly difficult to either sell or build up any real commercial market surplus.

• • •

For Commercial Farmers

In the commercial farm areas, on the other hand, where processing factories and other regular markets are already established, and both the land and farmers are suitable, it is a much more simple and economical matter to increase production and to utilize fully that increase. Our wartime food program is largely a specialized or at least a commercial business, and it is largely, if not entirely, these commercial specialists who are producing our greatly expanded output of bacon, cheese, eggs, milk, etc.

Company Report

Pamour Porcupine

Net profits of $359,288, equivalent to 7.10c. per share were earned by Pamour Porcupine Mines for the six months ended June 30, 1943, compared with $230,564 or 4.61c. a share for the corresponding period last year.

The increased profits are attributable to reduction in development work and the use of broken ore reserves, which were reduced from 500,000 to 360,000 tons during the six months period. Scarcity of labor is still critical, James Y. Murdoch, president, reports, and a large amount of development work will be necessary as soon as labor conditions permit.

Directors will consider the payment of a dividend at some time later in the year.

Earnings Statement, 6 Mos. Ended June 30

	1943	1942
Gross prod.	$1,084,975	$1,195,584
Less: Oper., adm. & gen. expense	510,487	757,564
Res. for taxes	140,500	86,750
Oper. revenue	433,988	351,270
Add: Misc. income	26,982	21,194
Net earnings	460,970	372,464
Less: Deprec. (est.)	93,000	97,500
Def. devel. w/o	3,682	44,400
Est. net profit	359,288	230,564
Earnings per Share	$0.0719	$0.0461
Tons Milled	270,963	293,321
Recovery per Ton	$4.00	$4.08
Shares o/s	5,000,000	5,000,000

Restrictions on Sale Of Shotguns Lifted

An order of the WPTB recently issued permits sale of all types of new shotguns in Canada and revokes an earlier order which froze sale of 18 makes and models of 12-gauge guns. Sales of shotguns were previously restricted in order to obtain an inventory and to permit the Department of Munitions and Supply to buy such guns as were required for vital war needs.

ARRANGES MERGER

J. Wilson Berry, vice-president and general manager of Guaranty Trust Co. of Canada, who has announced the purchase of Niagara Falls Loan and Savings Co. by Guaranty Trust.

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TORONTO

Canadian Car's new preference stock certificates will be available for exchange of old shares on Aug. 16. Surrender of present certificates may be made on that date at the office of the company, Montreal. Basis of exchange is share-for-share together with a cash distribution of $2.55 a preference share. Certificates surrendered for cancellation and exchange need not be endorsed.

East Crest and Davies are drilling two new wells, not three, soon, it is announced. One of these is to be located close to the site of Deca No. 2. The other is to be located six miles to the east, as originally planned and will be within 300 yds. of the Alaska Highway and the CNR. The rig from Deca No. 2 is to be used for one of the new wells. The other well is being drilled by contractors.

PROFESSIONAL DIRECTORY

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ANDERSON & VALIQUETTE
Accountants & Auditors
Jean Valiquette, C.A., L.I.A. — J. C. Anderson, L.I.A. — Roméo Carle, C.A. — A. Dagenais, C.A. — Delphis Clairoux, C.A.
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A Forest Program

Seeks To Perpetuate Industry

Forest Engineers Set Out Timber Protection Policy

A policy of forest administration and research is presented in a brochure published by the Canadian Society of Forest Engineers. Treating such subjects as forest protection, administration, management, economics, research and public relations, recommendations are made which will interest a wide sampling of the public: from men being demobilized from the armed services on the look-out for postwar replacement to fathers in search of careers for their sons. Suggestions are made for extensive economic, scientific and cost research, all of which not only will protect and expand the forest heritage, but will provide work for many people.

Being careful not to toss lighted cigarettes from car windows while motoring through forested areas is about the extent to which the average person has participated in Canada's forestry problem.

"A Statement of Forest Policy," therefore, recently issued by the Canadian Society of Forest Engineers, is designed to embrace the interest and support of this public as well as that of government experts and industrial leaders.

Highlights of Policy

Highlights of this long-range policy of how wisest use may be made of our forest resources include four items likely to be of personal concern to the individual. They are:

1. Establishment of a permit system of controlling travel and use of fire in the forest which, during period of fire dangers, should be closed completely to minimize fire risks.

2. Farmers whose farm wood lots are capable of highly profitable development should be assisted to improve them through educational means, provision of demonstration forests, technical advice and supply of planting stock.

3. Means whereby Canadian owners of forest properties or forest rights can insure them at economic rates.

4. Taxation of forest property must be under a system that will insure against forced liquidation of immature timber.

The statement of forest policy has been formulated with an eye to future requirements as well as to present, and is dealt with under six different heads.

FOREST PROTECTION

Adequate protection of the forests from insects and disease, it declares, is the first requisite of forest management. The best method is to reduce or eliminate outbreaks. Abnormal fire hazards should be treated likewise. To this end, full co-operation between Dominion, provincial and municipal authorities and private owners should be established, with just and equitable distribution of costs.

In addition, co-operation of the public should be sought through the press, radio and the schools.

Strict enforcement of forest by-laws and prompt punishment of offenders are urgently needed, the foresters urge.

Systematic classification of areas to be protected from fire is necessary, it is stated. The degree of protection afforded to different areas should be proportional to the forest and other values involved and to existing risks.

Fire protection is an art requiring both skill and experience and there should be systematic training, adequate remuneration and permanent employment of rangers, look-out men and other key personnel. Practice of entrusting responsibility to untrained men results in costly and unnecessary losses in the opinion of the contributing experts.

Efficient protection against insects is unified forest insects survey through co-operation of government services and forest industries coordinated by a central body.

Properly equipped and adequately staffed laboratories should be established to serve as centres for investigation to provide essential information respecting losses caused by disease and to determine practical methods of production and control.

FOREST ADMINISTRATION

Provincial legislation and forest laws and regulations should be as uniform as possible because wood-using industries are national in scope and must enter regional as well as foreign competition.

Staffs of trained forest engineers and qualified rangers, scalers, etc., should be provided, say the woodmen, for the efficient administration of the forest. Conditions of employment should be such as will attract and retain men of ability. Appointment and promotion should be based exclusively on merit.

Forest revenues should be augmented if necessary to provide essential minimum of protection and administrative control.

Lands should be classified to segregate agricultural from true forest soils, the latter to be permanently withdrawn from settlement as soon as possible, the society recommends. Establishment of municipal and county forests should be encouraged by legislative action if necessary to serve the material and ascetic demands of local populations.

Surplus labor should be employed in forest work, and youth training activities of the national forest program are strongly commended. Forest improvement should form a major part of any postwar rehabilitation plan.

FOREST MANAGEMENT

Attention should first be concentrated on securing increased production from the most accessible forest land of good quality. Accordingly, those areas to which intensive management is first to be applied should be chosen with the least possible delay.

An inventory of forest resources, merchantable and immature, should be undertaken immediately and kept up to date. For taking them in large areas, aerial photography supplemented by field work is recommended.

While forest management in Canada should primarily depend on natural regeneration, where forests in the more accessible regions fail to restock adequately, artificial regeneration should be undertaken when economic conditions warrant. In general, cutting of trees in immature forests should be restricted to improvement thinning.

Artificial restocking of non-forested land should be encouraged by payment of subsidies for such work, states the brochure.

ECONOMICS

The courses of action recommended to government authorities or to private owners of forest land should be economically justifiable.

Systematic economic investigations are essential to forest management.

Industrial development, depending on the forests of any region, should not be permitted to exceed the same field capacity of that region.

Adequate statistics of all matters connected with forests, including market prices, etc., are needed for each region. Diversification and integration of forest industries lead to more complete utilization of all forest products and to reduction of waste.

Construction of permanent transportation facilities by land and water to effect economies in forest operations should be specially studied, it is urged.

Means whereby Canadian owners of forest properties or forest rights can insure them at economic rates is essential if private capital is to be freely invested in forest management.

FOREST RESEARCH

Forest research by governmental studies should be supplemented by universities, industrial associations and private companies, the statement continues.

Research projects should be entrusted only to men possessing genuine research abilities. Suitable scholarships should be provided to encourage suitable students to enter this field.

Proven results of forest research in any part of the Dominion should be available to workers elsewhere. A central agency to encourage co-operation and arrange for co-ordination of research plans and findings is needed.

Forest experimental stations should be maintained in each of the natural forest regions. These should be readily accessible and of sufficient size to yield reliable silvi culture results and usable cost data. Public demand for forestry information should be met and stimulated by giving full publicity to forest research methods and accomplishments.

Investigations into the effect of forest fires on regeneration and stand composition should be initiated and silvicultural results of slash buring should be studied. Methods of rating fire hazards and the evaluation of the insurance lists should be undertaken.

Moreover, say the foresters, long-term studies of the inter-relationships of insects, animals, and plant life in the forest complex should be initiated to determine the factors influencing the fluctuation of insect population.

PUBLIC RELATIONS

Systematic training of junior forest personnel including rangers, scalers, wood foremen and forest laborers should be provided in ranger schools and in the forest.

Special courses of training in the management of farm wood lots and the proper utilization of forest products should be made available to farmers and their sons.

The development of an informed public interest in the wise use of the forest resources is, of course, the greatest need of forestry in Canada. Without effective public support a satisfactory rate of progress is impossible, the statement concludes.

Fire Hazards Now Reduced

Fire-fighting Chemicals Prove More Effective Than Water

In recent years chemistry has played an increasingly important part in man's fight against fire, and in many specialized types of fire-fighting certain chemicals have been found to be more effective than water, says John Harwood-Jones, writing in C. I. L. Oval.

In the field of fire prevention, fire retardant chemicals for treatment of lumber for various types of construction are already in wide use. Millions of feet of lumber treated with wood preservative chemicals that are at the same time fire retardant have been used in war construction projects where the dangers of fire would formerly have demanded the use of steel.

Chemical treatment of textiles now renders them incapable of supporting combustion, it is stated. Clothing, curtains, upholstery and paper hangings have always comprised a potent source of fire hazards and for some years now fire retardants have been used for the treatment of workers' overalls and other textiles. Cloth, which is properly treated with these chemicals, will char at the point of contact with a flame but will not catch fire.

Until recently, however, certain weaknesses were inherent in most of these chemicals. Some failed to prevent the charred cloth from supporting an "afterglow." Other chemicals caused a stiffening in the fabric and had a tendency to crystallize on the surface of the treated material in the form of powder or dust.

A new and improved fire retardant is said to be free from the limitations inherent in the older chemicals. Clothing of all kinds, from little girls' frilly party frocks and sheerest negligees, to arc welders' overalls and soldiers' uniforms may be treated by dipping or spraying with the chemical so that, though they may char upon contact with fire, they will not burst into flames. Moreover, this chemical newcomer does not affect the "feel" or appearance of fabrics. Fabrics immersed in a solution of one pound of the new fire retardant to one gallon of water and then dried, remain incapable of supporting combustion until washed, when the treatment is repeated. Dry cleaning does not remove the fire retardant quality.

The dangers of "flash" burn in pile fabrics can be removed by flame proofing and experiments have also shown that paper black-out curtains and combustible materials used in places of public assembly, such as curtains and paper hangings, can be effectively and economically flame-proofed with the chemical.

Hydro Loads Rise Again

Eastern Ontario Continues to Show Largest Percentage Increase

Ontario's primary power load during June, 1943, increased by some 55,000 horsepower over that for the corresponding month of 1942.

Based on the maximum 20-minute peak horsepower load for the period, the monthly summary released by the Hydro-Electric Power Commission of Ontario portrays load conditions on all four Hydro systems and the Northern Ontario Properties. Large individual gains were recorded in the Niagara and eastern Ontario systems, with increases of approximately 50,000 and 20,000 horsepower respectively.

The total primary load demand served by the Commission during June of this year, representing an increase of 2.6%, was 2,190,082 horsepower, as against 2,135,537 horsepower in June, 1942.

Combined primary and secondary loads experienced a gain of 57,000 horsepower over last year's figure, when the 1942 load of 2,243,312 horsepower was increased by 2.5%.

Complete load tabulations are as follows:

Maximum 20-Min. Peak H.P.

	June 1943	June 1942	Incr. %
Primary Loads:			
Niagara	1,636,059	1,586,595	3.1
Eastern Ontario	199,524	180,460	10.6
Georgian Bay	50,590	48,760	3.8
Thunder Bay	103,706	106,903	—3.0
North. Ontario	200,203	212,819	—5.9
Total	2,190,082	2,135,537	2.6
Primary and Secondary Loads:			
Niagara	1,701,877	1,629,357	4.5
Eastern Ontario	199,524	180,460	10.6
Georgian Bay	50,590	48,760	3.8
Thunder Bay	111,422	125,938	—11.5
North. Ontario	236,932	258,797	—8.4
Total	2,300,345	2,243,312	2.5

Chartered Accountants Discuss War Problems

Two important problems of war-time administration, in which the chartered accountant is concerned, will feature the annual meeting of the Dominion Association of Chartered Accountants to be held in Toronto Aug. 16 to 18, 1942. One is "Profit Control and Cost Audits of War Contracts," which will be handled by three prominent officers of the Dominion Government.

The other is "The T.2 Questionnaire," which is the new form introduced this year by the National Revenue Department for the purpose of enlarging its knowledge of the ways in which corporation profits are computed and which calls for an endorsement by the company's auditors; the discusion of this subject will be led by two of the association's own members. The president of the American Institute of Accountants is also to speak on some problems of the profession arising out of the war.

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CANADA BREAD COMPANY, LIMITED

(Incorporated under the Ontario Companies Act)

AND ITS WHOLLY OWNED SUBSIDIARY

CONSOLIDATED BALANCE SHEET

As at 30th June, 1943

ASSETS

Cash on hand and in banks		$ 270,341.29
Dominion of Canada 3% Victory Bonds due 1956—$30,000 par value, at cost		30,000.00
Accounts receivable less reserve for doubtful accounts		208,697.53
Inventories of ingredients, finished products and supplies, as determined and certified by the management, valued at the lower of cost or market, less reserves		395,238.40
		$ 904,277.22
Dominion of Canada bonds at cost ($100,000 par value), appropriated for post-war rehabilitation of fixed assets	$ 100,000.00	
Mortgages receivable	15,400.00	
		115,400.00
Buildings and equipment—at cost	$5,243,310.90	
Less reserve for depreciation	3,195,742.34	
	$2,047,568.56	
Land—at cost	341,755.31	
		2,389,323.87
Prepaid insurance, taxes and other charges	$ 93,299.47	
Post war refund under the Excess Profits Tax Act	6,500.00	
		99,799.47
Goodwill (less amounts written off)		500,000.00
		$4,008,800.56

LIABILITIES

Accounts payable, wages and other accrued charges		$ 505,466.72
Reserve for taxes (including income and excess profits taxes)		214,008.35
Dividends payable 1st July, 1943		54,375.00
		773,850.07
Deposits by salesmen	$ 54,550.47	
Less cash and government bonds held in trust	54,550.47	
Reserve for contingencies		100,000.00
Capital:		
Authorized and issued—		
12,500 6% cumulative redeemable first preference shares of $100 each, redeemable at $110 per share	$1,250,000.00	
25,000 5% cumulative participating redeemable Class "B" preference shares of $50 each, redeemable at $100 per share	1,250,000.00	
200,000 common shares of no par value	25,000.00	
	$2,525,000.00	
Earned surplus—per statement attached	609,950.49	
		3,134,950.49
		$4,008,800.56

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Year Ended 30th June, 1943

Profit on operations before deducting the charges set out below		$ 790,493.15
Add interest earned on investments		2,982.39
		$ 793,475.54
Deduct:		
Provision for depreciation of buildings and equipment	$ 317,597.17	
Reserved against inventories	20,000.00	
		337,597.17
		$ 455,878.37
Deduct provision for income and excess profits taxes	$ 225,000.00	
Less refundable portion thereof	6,500.00	
		218,500.00
		$ 237,378.37

CONSOLIDATED SURPLUS ACCOUNT

For the Year Ended 30th June, 1943

Balance at 30th June, 1942		$ 545,072.12
Add net consolidated profit for the year ended 30th June, 1943		237,378.37
		$ 782,450.49
Deduct:		
Dividends:		
First preference shares—6%	$ 75,000.00	
Class "B" preference shares—5%	62,500.00	
Common shares—10c per share	20,000.00	
	$ 157,500.00	
Transferred to reserve for contingencies	15,000.00	
		172,500.00
Balance at 30th June, 1943		$ 609,950.49

The Mica Industry

Call For Canada's Mica

Amber and White Mica Mining — a Big Little Business

Canada's mica industry, hitherto regarded as a little brother by the larger mining fraternity, has surprised the big boys by suddenly becoming of strategic importance — especially in the electrical field — under the stress of war. United States and United Kingdom, among many other financial powers, are beginning to compete for output from such Canadian mica mines as Purdy Mica and Blackburn Brothers. Production for 1942 is estimated to have been higher than in many years previously, and promises in 1943 to outstrip last year's record.

While mica mining is generally considered rather "small potatoes" as far as value of output is concerned, Canada's mica mining industry has established itself in a position of tremendous strategic importance with U.S., U.K., Canadian and Australian firms competing for output from approximately a dozen mines in the producing category.

Older established phlogopite or amber mica producers and the newer muscovite or white mica operators are each contributing to the improved showing in the mica business. Estimated to have turned out a much higher production of all products in 1942 than for many years past, Canada's mica industry is expected to show a much larger output for 1943 than for a very active 1942.

How the individual mica business is doing is regarded almost as a trade secret, with perhaps the majority of mica concerns privately owned. Apparently, however, Purdy Mica Mines, the big new Eau Claire white mica producer and processor, is now rivalling the long-established Blackburn Bros. (phlogopite producers) as the foremost Canadian mica producer. The Blackburn people get their mica in the hills of the Gatineau; Purdy not far from North Bay, Ont.

Besides the Purdy and Blackburn producers are a number of other operators, with Amic Mica Mines and A. W. White Mica Co. standing in third or fourth place.

Expansion of mica mining is still very much to the fore but complete details of individual operators' plans are not available. To date the situation sizes up thus:

Purdy Mica is reported planning to install a new mica processing plant, employing 500 girls, at North Bay, the second of its kind there. The mine is stated to be standing up under development, with two new mica showings uncovered, a parallel dyke and another on the line of strike.

Amic Mica Mines is officially stated to have expanded its interests by acquiring an 80% interest in the 42-year-old Mica Co. of Canada which manufactures all kinds of mica at its Hull, Que. plant. Mica Co. of Canada also owns a third interest in a U.S. mica company with a plant at Messina, N.Y., which is stated to employ 150 people.

Besides acquiring controlling interest in Mica Co. of Canada by purchase for cash and stock, Amic Mica not long ago took over the Simard ruby muscovite mine in the Saguenay area from the Beauchemin interests. This is stated to show potentialities of turning out several times as much muscovite mica as the Amic Mica Eau Claire property. Amic now has processing plants in connection with both the Eau Claire and Simard properties and does custom business like most of the larger Canadian mica operators.

Financial Results

Purdy Mica Mines is reported to be realizing an operating profit in the neighborhood of $20,000 a month. This figure lacks official confirmation, however. If production is expanded as hinted, earnings could be several times this, it would seem possible. Mica Co. of Canada realized a profit of approximately $36,000 in both 1941 and 1942, before EPT, it is stated, with net profit of around $11,000 each year after all charges had been met. Yearly sales are stated to have been about $150,000. Sales for the first six months of 1943 totalled $91,303.

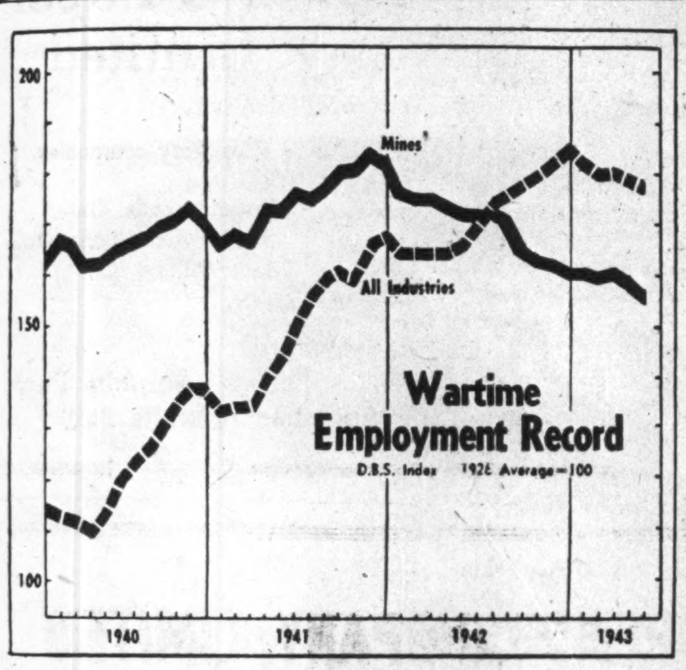
Amic Mica turned out about 20,000 lb. of crude mica in June. July output approached 40,000 lb. and output now is stated to be 40,000 lb. of crude mica a month. With production from the main No. 1 vein placed on double shift recently, and the newly acquired Simard Mine, this output may be increased appreciably. At the level of 40,000 lb., output of processed mica will run about 5,000 lb. of various grades a month, selling for anything from 60 cents to $10 a lb. No estimate of earnings is available. Much of revenue so far has been plowed back into development and new plant.

The A. W. White Co. property, which has 30 pits and a shaft showing mica on its property located 50 miles from Buckingham, Que., has been doing better, following discovery of higher grade mica in the shaft running as wide as 4 ft. Approximately 2½ tons of mica are on hand.

U. S. financial interests have been showing a desire to "buy into" the mica business in Canada. Amic Mica is stated to have received an offer for its 80% interest in Mica Co. of Canada which would mean a substantial profit. It is not likely this offer will be accepted, it is stated, but some type of management arrangement may be worked with the U. S. firm, it is reported.

Postwar Position

What will happen to the mica business after the war depends a great deal on the degree of industrial activity. Mica is absolutely essential to the electrical industry and the uses for the mineral are much more extensive than the public realizes. Canada for the last 40 years has been closely identified with amber mica mining and it appears likely that white mica too will become a fixture in the Canadian mica business over a period of years. However, white mica, which fetches a much higher price than the amber, will not likely always be on the high price plateau it is at present. The high prices being paid nevertheless are playing their part in establishing the business.



Employment in Canadian mines reached its wartime peak just a year earlier than all industries; has since turned sharply down.

The Week in Oils

From Our Own Correspondent

CALGARY.—A Gulf Research & Development Co. seismic survey party arrived in the field last week end to commence work in the southwestern Alberta foothills belt. The arrival of the seismic party follows the acquisition by Gulf Research of an acreage block totalling about 65,000 acres, extending north from Lundbreck on the Crow's Nest Pass line, and including reservations on Crown Lands, Calgary & Edmonton Corp. lands, and some freehold lands. The block is an 18-mile-long strip from the centre of Twp. 7 to the centre of Twp. 10, extending westward from the fifth meridian line nine miles to the centre of Range 2w5th. The area has already been gone over by Gulf with a gravimeter, being one of several worked by the Gulf gravimeter party in 1942.

The Gulf Lundbreck block is flanked to the west by the Watson area, where the Marjon-Maxmont well is now drilling around 9,500 ft. in Blairmore formation. This well is about 1½ miles west of the west edge of the Gulf block. This deep test is backed by American interests represented by A. W. Hunter. This week it was learned that the Hunter group has added to its fairly extensive lease-block in the area by acquiring a Crown Reservation on 40,000 acres, flanking the Gulf block to the west. The Hunter Reservation covers Crown acreage in Twps. 8, 9 and 10, Ranges 2 & 3w5th.

* * *

To Test 8,000 Acres

New Ranchmen's Oil Co. Ltd. has arranged financing for the completion of its two ventures in the Aldersyde Area, according to managing director M. J. Davies. Financing was by issue of $125,000 in 6% debentures to eastern Canadian interests. This is believed to be the first time that a debenture issue has been underwritten on an independent wildcat operation in Alberta. New Ranchmen's holds about 8,000 acres in the area to be tested. Operations at the two wells are expected to be under way by Monday morning.

At New Ranchmen's-Snider No. 1 well, contractor Newell & Chandler Ltd. will start dismantling the cable tool equipment and raising the derrick to accommodate heavy duty rotary equipment. The well is now standing at 1,770 ft., with Madison lime objective looked for around the 8,000 ft. mark.

At the old Ranchmen's No. 1 well, in future to be known as New Ranchmen's-Bird No. 1, driller Tiny Phillips will have a crew at work Aug. 2, checking over equipment and getting in shape to resume drilling operations at the earliest possible moment. This well has been standing since 1941 at 7,231 ft. in the Dalhousie sand. Operations on this well are expected to be rather slow and difficult due to the mechanical condition of the hole. This well during previous drilling encountered numerous oil and gas shows, being a good show of dark red crude of 53 gravity at 7,200 feet.

* * *

Gets Largest Quota

The recently completed British Dominion No. 5 well in the North Turner Valley Extension has been assigned an allotment of 950 bbls. per day, retroactive to July 1, the Conservation Board reported this week. The quota is the largest in the field. The well showed a bottom hole pressure of 2,830 bbls., and has been operating with a gas-oil ratio of 750 cu. ft. per bbl. The well was backed jointly by British Dominion Oil & Development Co. and the Home Oil Co. A second new initial allotment assigned this week was that for the Home Millarville No. 13 well in North Turner Valley. This well has been given a quota of 300 bbls. daily, retroactive to July 1.

* * *

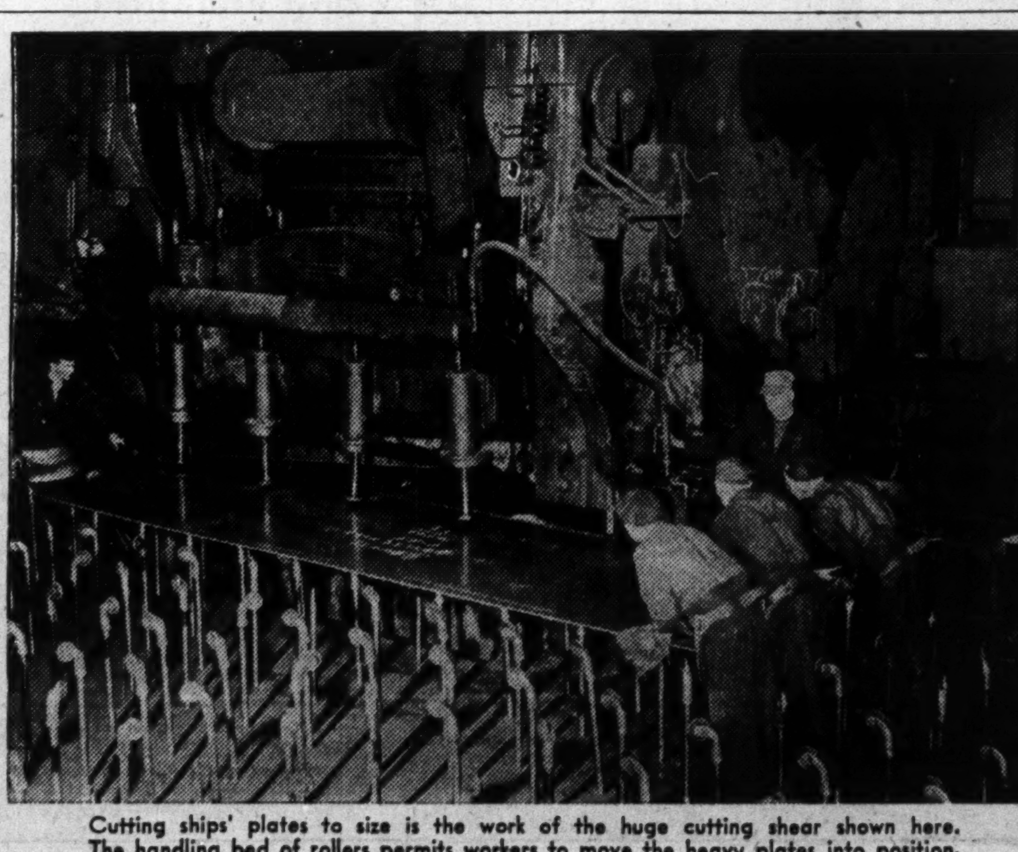
Third Joint Test Finished

Dominion Oil Co. and Nassau Explorations Ltd. completed drilling at their third joint test in the Taber Area last week, with preliminary indications for commercial oil production quite promising. The new completion, Taber-Province No. 57-18B, halted drilling at 3,184 feet, after topping the Taber oil sand at 3,159 ft. In a one-hour drill-stem test made after halting of drilling, crude oil rose 600 ft. in the hole. Reaming was being complete on Friday, and it was expected that casing would be run and set on Saturday. The new completion is located in the southeast quarter of lsd 14 18-9-16w4th, quarter of a mile due west of the recently completed Taber-Province 37-18B, and is about half a mile northwest of the Taber-Province No. 1 well, the "discovery" Dominion Nassau joint venture.

The Taber-Province No. 37-18B, completed early last month at 3,176 ft., was finally placed on pump early last week. After pumping to clean out the hole of sediment, the well began to pump clean oil at mid-week. Recovery in the 24 hours to noon Thursday was 162 bbls., while 182 bbls. of oil were recovered in the 24 hours ended noon on Friday. The Taber-Province No. 1, completed in June, 1942, to yield 50,536 bbls. by the end of June, 1943, is now pumping between 200 and 240 bbls. of clean oil daily.

* * *

The seventh Wartime Oils backed Central Turner Valley test was spudded in on July 23. The well is Okalta Oils No. 14, in lsd 11 18-19-2w5th. The well is being drilled under contract by National Drilling Co.



Cutting ships' plates to size is the work of the huge cutting shear shown here. The handling bed of rollers permits workers to move the heavy plates into position.

Aunor Profits Show Increase

Development Results at Depth Show Sharp Improvement

One of the few Canadian gold mines to increase its earnings recently, Aunor Gold Mines realized a net profit of $347,460 the six months ended June 30, 1943, equal to 17.37 cents a share compared with 13.14 cents the corresponding period of 1942.

Treatment of higher than average grade ore and reduction of development work were chiefly responsible for the improved showing, it is stated. Exemption from corporation tax ended July 15, 1943.

Bottom Levels In Ore

Ore conditions at depth have been found to be much better than at first thought and good lengths of ore have now been opened at both the 1,375 and 1,500-ft. level, President J. Y. Murdoch reveals.

At the 1,375-ft. level, 780 ft. of ore has now been opened with an average cut grade of 0.326 oz. gold per ton across an average width of 5.1 ft. in the drift. The west face is still in ore.

On the 1,500-ft. level, ore has been encountered for a length of 940 ft., running 0.35 oz. gold across a drift width of 5.3 ft.

Diamond drilling indicates an ore zone of greater than drift width on both these levels. There is considerable faulting and folding of the ore zone at the westerly end of the 1,500-ft. level, the extent of which has not yet been determined but work on these two levels has substantially increased the probable ore reserves of the property, President J. Y. Murdoch reports.

Coniaurum Mines Shows Lower 3 Months Profits

Profits, before write-offs, of $67,440 are shown by Coniaurum Mines for the quarter ended June 30, 1943, compared with $113,084 for the period the previous year. Tons of ore milled were 26,550 tons, down from 45,100 tons, which yielded gross returns of $289,024 and $449,492 respectively.

B. C. Pushes Mercury, Tungsten Production

To Revive Mines Which Ceased Operation Owing to Labor Lack, Mining Groups Urge Release of Home Defense Army Men to Work

From Our Own Correspondent

VANCOUVER.—British Columbia is expected to continue mining in times of peace some of the metals whose production has been given chief impetus by the emergency demands of war.

Before the war, for instance, B. C. produced no mercury. Today the west coast province is mining enough of that metal to meet the Empire's requirements. Tungsten has also been brought into production during the war years, and the same may be said of tin, now being produced in a modest way at Consolidated Mining & Smelting Co.; of molybdenum and antimony.

In his annual report on B. C.'s mining production, Dr. John F. Walker, deputy minister of mines, points out that B. C.'s mercury production is something to be proud of, and that "it seems likely the province will be among the future world's mercury producing countries."

Expansion in Tungsten

Referring to the production of tungsten concentrates in B. C., Dr. Walker says this phase of operation will probably see considerable expansion this year, with Smelters' Red Rose property and Wartime Metals Corp.'s Emerald mine and others in production.

Value of mineral production in B. C. last year showed a decline of only $2.9 millions, in spite of all the curtailment of operations due to labor shortage. The biggest slump was in gold, total value of production dropping from $21.9 millions to $17.1 millions.

Fourteen gold mines have suspended operation in B. C. during the war period owing to difficulty in getting labor, high transportation costs and inability to maintain supply of equipment. General feeling among mining men is that when peace is restored golds will experience a spectacular revival and that most of these shut-down operations will again spring to life, while currently operating mines now forced to curtail production owing to labor scarcity will be able to launch new expansion policies.

Gold Industry Damaged

Chief fear of the gold operators is that continuance of present conditions and discouraging development may result in irreparable damage to the industry by making it all but impossible for the mines so affected to be restored to normal activity.

"There is a tendency to ignore the tremendous part that mining has played in wartime and in peace in maintaining the prosperity of B. C. and other sections of Canada," declares A. E. Jukes, president of Gold Belt Mining Co., and president of the B. C. Chamber of Mines. "Mining has been the sole support of several of B. C.'s most enterprising and prosperous towns. Today that support is threatened by lack of a realistic program to maintain the mining industry."

How to Remedy Matters

Mr. Jukes lists the remedies for the present critical situation as follows:

1. Provision of sufficient labor to keep the mines in good operating condition or, if this is impossible due to war conditions, to prevent deterioration of mining properties during the war period. In West Australia this was undertaken as a Government responsibility.

2. Permit mining companies to set up adequate cash reserves for the purpose of replacing the ore reserves depleted because of the manpower shortage.

Seek Reserve Army Men

There is a feeling among mining men on the coast that thousands of men now engaged in the home defense army would be of more service to the country if put at work in the mines, especially those men who have had previous mining experience. They also believe that mining companies should be enabled to set up reserves free from income tax.

It is pointed out that most of the mines have been unable to maintain the normal tonnage of proved ore owing to manpower shortage. These mines, lacking men for normal development, actually found their costs reduced during the past year while they mined proved ore tonnage. This meant additional profit which led to higher taxation. Had these profits been made in the normal way the mine operators would not complain, but if they are to maintain operation after the war they must have working capital to replace depleted ore reserves. The logical course, they claim, would be to enable them to set up reserves from the final period of earnings. The delays of new financing would thus be avoided.

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Hudson Bay Mining Co. Pays $1.46 Per Share

Estimated earnings of Hudson Bay Mining & Smelting Co. for the six months ended June 30, 1943, amounted to $4 millions, equivalent to $1.46 per share, after deducting all operating costs, including administration, depreciation and taxes, but without provision for depletion. This compares with earnings of $3.4 millions, or $1.27 per share, in the corresponding period of 1942.

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• MEMO TO ADVERTISERS

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Home Front

Rumors Can be Squelched!

How Canada's First Clinic is Stopping Loose Talk

A young lady employed by a war plant making explosives recently went to her hairdresser to get a permanent. She got under the machine — the curlers were adjusted and the operator turned on the power. Suddenly there was a blinding flash and the factory employee was burned so badly she died. The explosion was due to gunpowder which had sifted into her hair. The operator was so shaken that she shortly went insane.

The foregoing story was proved to be greatly exaggerated but is a typical sample of the type of rumor which the Canadian Column Rumor Clinic is fighting constantly. This organization is operated by a handful of business leaders, the costs of which come out of their own pockets.

Said Col. T. E. Ryder, D.S.O., M.C., V.D., Canadian Column's president: "This idea was born two years ago when a few of us chaps who are not as busy as we might be due to the war, decided we really wanted to help in some way, so we formed the Canadian Column. Our sole purpose was to help Canada and her war effort in any way we could. However it wasn't until rumor-mongering became so serious that the organization really had a subject it could sink its teeth into. At first it was just a spare-time job for a few of us, but like a lot of other things the idea took hold and today looking after the clinic takes a tremendous amount of work."

Rumors Hurt Industry

Rumors do hurt industry, especially when they pertain to war plants. The Column believes that the false story of the girl mentioned previously had the effect of keeping girls from taking jobs at that particular plant.

Another popular rumor circulated among female rooming-house keepers in war towns is the one that they shouldn't take in women working in war industries as most of them have venereal diseases.

These and hundreds of other stupid lies are being squelched by having the light of truth played on them through the untiring efforts of the men behind the Canadian Column. One of the most aggressive members is Kenneth H. Olive, chairman of the clinic, and who in business life is vice-president of a Montreal firm. Mr. Olive lists rumors into four types: 1. Horror and disgust. 2. Reckless waste, extravagance and corruption. 3. Anti-British, anti-Allied, anti-solidarity feelings. 4. Threats to security through inefficiency.

Come Through Mails

Most of the rumors which the organization publicizes come to them through the mails. Interested readers of the column hear a rumor, and then send it on. In order to get the true facts of the case, and if possible trace its origin the clinic works closely with the Wartime Information Board. Col. Ryder said it would be an excellent idea if war industries would encourage workers to place any rumors they come in contact with in a box for that purpose. Sometimes employees hear rumors which have a direct connection with their plant, and this would be an excellent way to spike these falsities, as they could be forwarded to the Canadian Column along with the true facts, if available.

A number of companies have adopted the practice of placing "rumor boxes" throughout their plants into which employees may drop reports of any rumors they have heard concerning their own companies. The following heading on such a box is suggested by officials of the Canadian Column:

DON'T REPEAT RUMORS — REPORT THEM HERE!

Every rumor is a slap in the face to our war effort. Please help us to stamp them out. Drop notes here.

Typical of the type of rumors which have circulated recently, and which are capable of doing great harm to industry are the following:

RUMOR: "The men who guard plants and prisoners are not sufficiently armed, etc."

FACT: The officer administering the Veterans' Guard of Canada advises: "All personnel of the VGC Companies are adequately armed with rifles and pistols. There is also an adequate number of Bren and Sten machine guns. There are no grounds whatever for the rumor."

RUMOR: "A woman who was working on Sept. 1, when the new regulations came into effect, is forced to work at some job or another whether she is married or not. While a woman not working on Sept. 1 is not compelled to take a position unless she wishes."

FACT: No compulsion will be used to force women to accept jobs offered to them, says the National Selective Service.

RUMOR: "There is no need for reduction in electricity in the Province of Quebec, as the present output capacity is not yet being fully used. Rationing of this commodity is due to politics."

FACT: The power shortage is very real, and despite everything that can be done, will continue. The public must help by conserving power in their homes.

Millions of Canadians have the opportunity of reading the facts of these rumors and many more when they appear in some of the country's leading newspapers. Putting the spotlight of publicity on rumors is like placing germs under strong sunlight—they soon wither and die—was the way one member of the Canadian Column expressed it.

Influenced by War News

Another strange thing is that rumors fluctuate with the war news. Let the news be bad and the rumors increase—but let the news be good and there is a sharp decrease in these popular lies.

The Rumor Clinic attempts to trace the origin of rumors on every possible occasion. Sometimes they succeed, such as in the case of the young returned soldier who it was alleged said a great deal about Canadian Army casualties at Dieppe after the supposed torpedoing of a hospital ship. "The story was ghastly and impossible, and therefore likely to cause worry and fear to those with loved ones overseas so our investigators (The Rumor Clinic) decided to track the story to its source."

It was learned that this totally false story was started by a soldier recently discharged from the Army as medically unfit. On questioning he (the soldier) admitted he had not been connected with the Dieppe raid, and had no knowledge of it, nor did he actually know of any ship torpedoed with Canadian casualties aboard. He stated that when he had a few drinks he couldn't remember his actions or conversation. And it was apparently during one of these bouts that he brought forth the aforementioned piece of gossip.

Increased Influence

The Rumor Clinic hopes to soon have affiliations with other public-spirited men elsewhere in Canada, who are interested in starting similar clinics, and they are quite willing to send complete data to any person who would be interested.

The clinic believes that rumor-mongering can be as dangerous as certain types of sabotage, and therefore war industries would do well to take cognizance of that fact, and do what they can to stamp out rumors in their plants.

The Canadian Column is the only organization of its type in Canada and although it has been in operation only a short time its members have gleaned a wealth of experience on how to fight rumors. Industries wishing to receive the Canadian Column every week without cost are asked to write to: Canadian Column, Transportation Building, Montreal. The uses of this column are many, two of the most popular of which are: reproducing in house organs and placing the bulletin, as received, on plant information boards.

3 New Wells For East Crest

East Crest and Davies Petroleum are planning the immediate drilling of three further wells on the Athabasca structure, where an initial well was completed recently but has not been tested. Work on the first of these wells is stated to have already commenced.

According to information from Calgary, H. S. Price, president of East Crest, has announced that geologist J. O. G. Sanderson recommends a 12-well program following completion of the first well. It had originally been planned to drill the second well, known as Deca No. 2, six miles from the first, but it has now been located in close proximity to the first.

The company advises that payment has been received covering an additional 50,000 shares, with the first block of 100,000 exercisable by July 31, 1943. Outstanding capital is now 2,323,587 shares.

Normetal's tonnage of copper-zinc ore for the second quarter was down approximately 17½% from the previous quarter, due entirely to shortage of labor, from which there is no relief in sight. Development work on the three new levels below the 2,000-foot level proceeded satisfactorily as to width and grade. A limited amount of development on the bottom or 2,600-foot level indicates satisfactory grade and size. Estimated operating profit for the six months ended June 30, 1943, was $255,778.

Waite Amulet Profit Rises

Unconsolidated Profit 67.7 Cents a Share in Half Year

An increase in the consolidated net earnings of Waite Amulet Mines and its Amulet Dufault Mines subsidiary to 51.4 cents a share was realized the six months ended June 30, 1943, compared with 35.07 cents a share the first half of 1942.

Actually, Amulet Dufault Mines, the subsidiary, paid a dividend of 50 cents a share (equal to 50 cents a Waite Amulet share) during the quarter and the unconsolidated net profit of Waite Amulet was $2,236,511 or 67.7 cents a share. Part of the Amulet Dufault 50 cents a share was earned prior to Jan. 1, 1943.

From metal recoveries and miscellaneous income of $4,331,572 the first half of 1940 were deducted $1,714,061 of operating and general charges, $343,000 of taxes and $38,000 for depreciation.

Some Tax Relief

President J. W. Murdoch reports that, while certain tax relief has been granted the company in respect of extra ore treated at the request of the Metals Controller, no settlement has yet been secured in regard to the company's 1940 excess profits tax.

When examination of the "C" ore body was commenced a year ago, it was referred to as a high zinc, low copper ore body of limited dimensions. Development of this ore body is still continuing and results to date are stated to indicate a considerably larger tonnage and higher values than originally expected.

The general labor shortage has affected production to some extent and has reduced development work considerably. Any further reduction in the number of men employed may seriously affect mining operations, it is stated.

East Rouyn acreage, lying east of East Rouyn Mines property, is being given a diamond drill testing. The property covers what is known as the Thompson Creek fault and the main Cadillac break for a considerable distance and part of the property lies at the juncture of the two structures, presenting interesting geological possibilities. Drilling is designed to cross-section the whole area about one third of a mile wide.

To Buy $600,000 Dom. Gas Bonds

An offer to purchase Dominion Gas 5½% Collateral Trust bonds at 101 and accrued interest has been made by International Utilities in a letter to the bondholders.

The latter company is willing to purchase up to but not exceeding $600,000 principal amount of such bonds, of which there are now $3,845,500 outstanding. Of these $1,232,500 are already held by International Utilities.

The bonds are at present callable at 101 and will be callable after July 1, 1944, at 100½. The bonds are due July 1, 1945.

A plan for the merger of International Utilities with its subsidiary, Dominion Gas, is now before the Securities and Exchange Commission and if the plan should go through the bonds will be called for redemption.

The offer expires Dec. 15, 1943, or when Dominion Gas calls the bonds.

Moneta Porcupine Mines from commencement of milling in Jan., 1938, to the recent shutdown following exhaustion of ore, turned out $5.6 millions of gold and realized a net profit of $2.3 millions or 91c. a share. Dividends paid out during the period were $1.3 millions or 51c. a share. The company is stated to have finished up milling operations with something like $1.5 millions in working capital on hand.

Kirkland-Hudson Bay Remains Inactive

No further development of the Kirkland Lake property of Kirkland-Hudson Bay Gold Mines was undertaken for the year ended April 30, 1943, it is reported by A. A. McKelvie, president, in his report to the shareholders.

Net profits of the company declined compared to last year, standing at $7,518 compared with $9,722, due mainly to a reduction in dividends received. The investments of the company showed little change beyond an increase in holdings of Dominion of Canada Bonds and Lake Shore Mines Limited stock. The earned surplus account now stands at $241,509.

Oil Shale Study To Be Pursued

Because of growing activity and interest in the oil-bearing shales of the Moose River basin, James Bay area of Northern Ontario, Mining Research Corp., consulting engineers, has established a laboratory in Toronto to carry on research into methods for treatment of oil shale and its by-products.

The laboratory will be equipped with a pilot plant permitting quantitative and qualitative analyses of the shales with the object of establishing a plant on a commercial scale in the district.

Geologists associated with Mining Research have already visited and reported on the new development and expansion of operations is anticipated in the near future, the company claims. At present diamond drilling is being carried on to block out the oil shales, and plans are to use oil drilling rigs to test for crude oil at a depth of about 1,500 ft.